Chartered Co's
Relations & Powers

JC10/8/1/1

MEMORANDUM

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2 Sets.
1893

On the past and present of the

BRITISH SOUTH AFRICA COMPANY.

The Charter of the British South Africa Company (Annexure A.) whilst based on the three Charters of the North Borneo, Niger, and East Africa Companies, differed from its predecessors in some essential features. In the first place the control of the Secretary of State over the Company's proceedings was somewhat extended and was defined in greater detail. But the most noticeable difference was due to the fact that whereas each of the three older Companies, when it petitioned the Crown for a Charter, had already acquired from local Rulers powers of administration, the British South Africa Company was setting out on its northern travels with no other endowment than a mineral Concession over Lo Bengula's Dominions, their administrative powers being still to seek. Thus the Charter might be held to give no powers of Government, but only to authorise the exercise of such powers by the Government when obtained from Native Chiefs. In the early days of the enterprise this was more than once announced by the late Government with somewhat embarrassing candour.

candour. Only in one article did the Charter depart from the theory that powers of administration were yet to seek, viz, in the tenth Article, where the Company is directed to preserve peace and order to the best of its ability and in such ways and manners as it shall consider necessary, and is authorised with that object to make Ordinances (to be approved by a Secretary of State). This clause was not apparently regarded as of much significance at first, and it was apparent that some grant of jurisdiction from Lo Bengula would be necessary to admit of its being carried into practical effect. But after more than a year had passed it became clear that there was very little chance of obtaining such an instrument. Lo Bengula indeed acquiesced in the Company's exercising jurisdiction over white men in his country, but, having a feeling of soreness against the Company, refused to be troubled with any more applications to sign written Concessions. With a large and rather mixed population flocking into the country, the situation was rapidly becoming intolerable, and as annexation to the Crown and direct administration were considered inadmissible, some means or other had to be found for providing a valid foundation or the appearance of a valid foundation for the de facto Government which had been established. The mode of

procedure

procedure adopted, after consultation with the Law Officers, was the issue of an Order in Council dated the 9th of May 1891 (Annexure B.) under the Foreign Jurisdiction Act 1890. This Order (which applies not only to the Company's actual Field of operations south of the Zambesi, including Matabeleland, but to the Bechuanaland Protectorate) met the chief difficulty by a brief recital that the whole territory was under the Queen's protection , and then proceeded to delegate (Section II) to the High Commissioner the exercise of Her Majesty's jurisdiction therein without any specification of what that Jurisdiction might be, but went on to recognise (Section VIII) a preceding delegation of jurisdiction to the Company by the Charter. There is no question that jurisdiction over British subjects may be exercised under such an Order, even in the absence of any declaration of a Protectorate, but, according to the Law Officers, the declaration of a Protectorate gave similar jurisdiction over the subjects of Powers signatories of the Berlin and Brussels Conferences, and, what was more to the point, the Law Officers further agreed that the General Act of the Brussels Conference might be "prayed in aid" and that the various and somewhat extensive powers enumerated by that

instrument

instrument as appertaining to a signatory power which goes within the Slave Trade Zone in order to take a share in humanising Africa, belonged to the Queen in the territories declared under jurisdiction and might be properly delegated by her as proposed. As regards the exercise of legal jurisdiction over natives, a theorist might perhaps have argued that the title to jurisdiction was obscure or defective but in practice they were left much to themselves. Those connected with the white settlements neither could nor did object; and since the Matabele War, it is not likely that any further question will arise, the Natives of Matabeleland being already helpless, and showing a disposition to bring their cases before the English Authorities.

In the Order in Council, in order to provide against contingencies or objections, far more extensive powers were given to the High Commissioner than it was intended that he should ordinarily exercise; but on receipt of the despatch explaining what was intended Sir H.Loch made haste to issue a Proclamation, (Annexure C) in which he assumed virtually the whole administration of the Company's territories as well of the Bechuanaland Protectorate.

A

A controversy ensued between Sir Henry Loch and Lord Knutsford, the end of which was that the Proclamation in its entirety was limited, by an amending Proclamation, to parts of the country outside Lo Bengula's territories and outside the district in which the Company were conducting active operations - in other words, it was limited to the Bechuanaland Protectorate where it was appropriate enough in its terms. As regards the Company's territories there only remained those clauses which provided for the erection of Courts of Justice, the enactment of a system of substantive law and procedure, the appointment and removal of Magisterial officers, and the exercise by the High Commissioner or the Secretary of State of a veto over Land and other Concession Claims. After this controversy was settled, the Company subject to the provisions of the Charter and what was left of the Proclamation, continued to administer Mashonaland and legislate for it by Ordinance.

No knowledge that there was a serious difference between the Government and the High Commissioner has ever leaked out.

Up to the time of the war, except as regards the arms traffic, neither the nominal

jurisdiction

jurisdiction of the Company nor that of the High Commissioner had been actually exercised in Matabeleland proper.

But the result of the war, of course necessitated a change - the native power being overthrown - the concessions held by the Company from Lo Bengula, are, one already mentioned giving the monopoly of mineral rights, and a later one giving the sole right to dispose of lands. By a tacit understanding with Lo Bengula and indeed by force of circumstances, the rights granted by these Concessions were not exercised in Matabeleland; but it is held that according to their terms they extend to that country and this view has been announced more than once by Mr Buxton in the House of Commons. The Company therefore possess two of the most valuable sources of revenue, the possible yield of remaining sources of taxation being merely trifling. Even had this not been the case, there is little doubt that an administration of Matabeleland by the Crown would have entailed a heavy burden on the British Exchequer for several years to come.

In view of these financial considerations and of the fact that the Company had taken on itself

itself the cost and responsibility of subduing the Matabele, and also out of a prudent regard to the danger of a quarrel with the South African Colonists, Her Majesty's Government decided not to take Matabeleland into their hands, either as a directly administered Protectorate, or as a Crown Colony, but to avail themselves of the Machinery of the Company's Charter and the Order in Council, and to recognise Matabeleland as within the administrative area of the Company. At the same time they announced that their powers of guidance and control would be exercised somewhat more fully than heretofore (See Lord Ripon's telegram of the 13th of November.) In a later telegram of the 2nd of December (which see) principles as to the re-settlement of the Natives on the land were laid down, and Sir H.Loch was instructed to confer with Mr Rhodes on the subject and to prepare a scheme of Settlement.

The result of their communications is embodied in the terribly complex looking printed paper, marked (Annexure D) in which Sir H.Loch's original proposals are referred to as his "first Memorandum", and his amended proposals after considering Mr Rhodes' observations, are referred to as his "second Memorandum" whilst

Mr

Mr Rhodes' objections and counter-proposals are appropriately indicated by obliterated type or italics. The general features of this paper were considered at a meeting of the African Committee of the Cabinet some time since, and in accordance with their views, and by light of a further despatch (Annexure E) subsequently received, containing Mr Rhodes' observations on Sir H.Loch's "Second Memorandum" a draft amended Memorandum (Annexure F.) has been elaborated in the Colonial Office under the immediate direction of Mr Buxton and Lord Ripon.

Sir H.Loch's Memorandum dealt with many subjects already provided for either in the Company's Charter, the Order in Council of May 1891, or his Proclamation of the 10th of June 1891; and in strictness these facts might have been wholly omitted. But it was considered advisable for Parliamentary purposes that the new scheme of administration should be ample in its terms and to a great extent self explanatory, and for this reason it retains some provisions which are repetitions or virtual repetitions of existing laws or rules, but in some cases it has been thought advisable that Sir Henry Loch's repetitions should be wholly omitted.

It will be seen that Sir Henry Loch and Mr Rhodes were to a great extent in agreement as to the

the general features of the scheme, and it is thought that in some respects the Colonial Office Memorandum will be more acceptable to Mr Rhodes than Sir Henry Loch's proposals. It has been communicated confidentially both to the Board of Directors of the Company, and through Sir Henry Loch to Mr Rhodes.

The Colonial Office Memorandum may be said generally to follow the lines of Sir Henry Loch's Memorandum but it would be tedious, and will perhaps be thought unnecessary to trace the clauses of the one in the other. Their sequence, which was at first very confused, has been altered; many have been recast; some have been omitted and new ones have been added. The Memorandum is not an operative legal instrument, but in some respects it provides the heads of legislation which will, later on, be carried into effect by an operative legal instrument - viz: an Order in Council issued under the Foreign Jurisdiction Act 1890. For the rest, it contains a series of engagements between the Government and the Company regulating their future relations with one another and with the inhabitants of the Company's administrative area south of the Zambesi

The main novelties provided for in the new scheme are as follows:-

(1) The Government which has hitherto controlled only magisterial appointments, assumes control

control over that appointment, remuneration and dismissal of certain of the higher administrative officers.

(2) The Company's Administrator is provided with a Consultative Council much on the model of an Executive Council in a Crown Colony ..

(3) The chief legal authority on the spot has hitherto been the Company's Administrator. In future there will be an independent judge who will be appointed subject to the approval of the Secretary of State and will be irremoveable except by the Secretary of State. There will be an appeal from his decisions to the Supreme Court of the Cape of Good Hope and thence (although not so stated in the Memorandum) to the Privy Council.

(4) Hitherto there has been no legislative authority on the spot which has given rise to inconvenience and delay. In future, in cases of emergency, the Administrator and Council will have power to legislate, but their Ordinances will not come into force except after they have been seen and approved by the High Commissioner. Such emergency Ordinances are also subject to disallowance by the Company or the Secretary of State. Matabeleland and Mashonaland have thus four legislative authorities, but all in hierarchical subordination to one another viz:

1. The Queen in Council
2. The High Commissioner by Proclamation
3. The Directors of the Company by Ordinance
4. The Administrator in Council (on emergencies

emergencies) by Ordinance.

(5) Natives are not to be subject, except in specified cases, to exceptional legislation, and a Land Commission is provided for re-settling the Matabele on sufficient lands with a sufficiency of cattle and water. The Commission is to consist of the judge , a nominee of the Government and a nominee of the Company, and its decisions are subject to review by the Secretary of State. The powers of the Land Commission will vest in the judge when the Commission ceases to exist.

JC 10/8/1/2

1893 Lr from Pauncefote to Secretary of State

THE POWERS OF THE CROWN AND HER MAJESTY'S GOVERNMENT

IN THE CHARTERED COMPANY'S FIELD

OF OPERATIONS.

Under the Charter the Secretary of State is given considerable control over the Chartered Company.

Articles 3 and 4. Whilst the Company is fully authorised to acquire concessions, including concessions granting powers of Government from Native Chiefs (Article 3) they cannot exercise those powers without the approval of a Secretary of State, and subject to such "conditions and reservations" as such Secretary of State may lay down. (In the case of one important concession - that over Manicaland the Secretary of State Lord Knutsford imposed the important condition that certain monopoly trading rights therein given were not to be exercised. Another Concession from Gungunhana was wholly disallowed by another Secretary of State, Lord Salisbury.)

Article 6.

Article 6. The Company must remain British and its Directors be British Subjects (except Alfred Beit a Hamburg Jew, who has supplied enormous sums towards the enterprise. He is trying to get the Home Office to naturalize him).

Article 7. In case of any difference between a Native Chief and the Company the Company is bound, if so required, to submit it to the Secretary of State and is bound to act in accordance with his decision.

Article 8. In case of any difference between the Company and a Foreign Power the Secretary of State can dissent from or object to the proceedings of the Company and the Company is bound to act in accordance with the Secretary of State's suggestions.

(This power was exercised by Secretary Lord Salisbury in 1891 to compel the Company to leave off harassing and encroaching on Portugal).

Article 9. The Secretary of State can call on the Company to abstain from exercising any right in

any

any part of its territory on account of the existence of an adverse claim, and the Company is bound to abstain until the matter is disposed of.

Article 10. The Company is enjoined to preserve peace and order, and for that object is authorised to maintain a police force and make Ordinances - but these Ordinances are subject to the approval of a Secretary of State. (17 or 18 Ordinances have been so made for Mashonaland, and one or two - a hut tax Ordinance and a forest Ordinance abandoned for the present in deference to the Secretary of State's preliminary objections).

Article 11. The Company is enjoined to discourage and as far as practicable abolish by degrees the Slave Trade and Domestic Servitude and (12) to prevent the sale of intoxicants to Natives.

Article 13. The Company is not to interfere with the Religion of the Natives, except in so far as humanity requires, and (14) in administering justice to pay regard to Native Customs and Laws.

Article 15.

Article 15. The Secretary of State can at any time dissent from or object to any of the proceedings of the Company towards the Natives in its territories, and the Company is bound to act "in accordance with his directions duly signified."

Article 18. The Company's Officers are enjoined to communicate freely with the High Commissioner and other Imperial Officers, and to "pay due regard to any requirements, suggestions or requests" which the latter may make (This represents a sort of subordinate local control delegated by the Secretary of State).

Article 34. The Crown saves its rights to declare a protectorate over, or annex the territory comprised within the Charter. The penalty for disobeying any of these provision would be a revocation of the Charter under the power reserved in Article 35.

As a matter of fact the late Government at first merely intended that the powers given to the Chartered Company by Article 10 and others above recited should be supported by and be in fact supplementary

supplementary to powers of Government granted by the local Chiefs. But so far as Lo-Bengula was concerned, the Company failed to obtain such powers from him in writing, although in a sulky and fitful way he made it clear enough that he had no intention of actively opposing their exercise of power within Mashonaland where they were settled and had collected a population. But it was felt by the late Government that the position was legally unsatisfactory, and might be objected to by Foreign Powers, and in 1891 it was decided to take advantage of what was regarded as a change in the Public Law of the World, effected Quo ad Africa, by the General Act of the Brussels Conference. By that Act the signatory powers, which included all the important Maritime and Colonizing Powers of the World, made it plain that in their view it was lawful for any of the Africo-European Powers to assume a Protectorate over any part of Africa (with the assent of the other powers) and that such a Protectorate authorised the assumption of wide powers of legislation and administration. Accordingly after consultation with the Law

Officers

Officers and Foreign Office, the Order in Council of the 9th of May 1891 was passed, declaring the whole country south of the Zambesi and not within German, Portuguese or Transvaal Jurisdiction to be under Her Majesty's Protection, and delegating full powers of legislation raising revenue, appointment of Officers, administration of justice &c.to the High Commissioner (Articles II III IV). The Right was reserved to Her Majesty of disallowing the Proclamations of the High Commissioner (V) and the rights of the Chartered Company were reserved (VIII). But it is plain that the powers of the High Commissioner are paramount to any given under the Charter.

It will be seen from Lord Knutsford's despatch to Sir Henry Loch and the Colonial Office letter to the Company about this Order in Council, that its powers were meant to be held in reserve for an emergency and that the Company was to be allowed to go on administering its then occupied territory under its Charter, notwithstanding the possible flaw in the

authorities

authorities thereby given. But Sir H.Loch did not understand this, and before receiving Lord Knutsford' s explanations proceeded to issue a Proclamation taking the whole country up to the Zambesi under his administration, re-appointing all the Company's Officers as his Officers, and making himself and the Home Government responsible for its financial administration!

After a violent struggle, Lord Knutsford made him withdraw this Proclamation in part. There was in fact a compromise, under which the Company carries on the ordinary administration, appoints its own executive officers, and controls financial matters, whilst Sir Henry Loch appoints magistrates and other judicial officers, erects Courts of Justice and enacts substantive laws relating to rights of property, crime, &c. The Company legislating about trade, arms, liquor pounds, patents, explosives trade marks and such matters.

The "Field of the Company's operations" as defined in the Charter is in no way limited to Mashonaland. But is not only co-extensive with the Order in

Council

Council, and is even recognized by the Foreign Office as extending for certain purposes to the territories within the British sphere beyond the Zambesi.

SUMMARY.

1. Under the Charter the Secretary of State can prohibit and object to any proceedings of the Company any acquisition of powers by it, or any attempt to legislate on its part in regard either to Natives or Foreigners or others, and 2. Under the Order in Council the High Commissioner can, subject to the control of the Crown, exercise absolute powers of legislation and administration - theoretically as absolute as those of the Tzar.

E.F.

13.11.93.

JC 10/8/1/3

Printed for the use of the Colonial Office.

African (South)
No. 439.

Memorandum on the Origin and Operations of the British South Africa Chartered Company.

Preliminary and Definitive.

In the following memorandum—

The expression "British Bechuanaland" means the Crown Colony of British Bechuanaland, bounded on the east by the South African Republic, and, until 1891, on the west and north by the Molopo River, and the Ramatlabane Spruit. In 1891, the "Mier District" was added to the Colony, being a strip of land between the Nosob and Molopo Rivers and the 20th Meridian of E. longitude, which is the boundary of the German sphere of influence.

"The Bechuanaland Protectorate" means—

(i.) Politically: (α) the dominions of Khama, King of the Bamangwato nation, and (β) of the minor Chiefs whose lands lie between Khama's country, the South African Republic, British Bechuanaland, and the German sphere of influence in South west Africa.

(ii.) Geographically: the area denoted has had varying interpretations, as the limits of Khama's dominions and of the German sphere of influence have been progressively defined. From 1885 to June 1890 the explicitly accepted boundaries were (α) the South African Republic, (β) latitude 22° S. and (γ) longitude 20° E., this definition being given in an Order in Council of the 27th January 1885, asserting jurisdiction over white men within those boundaries. By the Order in Council of the 30th June 1890, these limits were explicitly extended to stand as follows: on the east, the South African Republic and Matabeleland; on the north, the River Zambesi; and on the west, the German Protectorate, the boundary of which had been settled by the Anglo-German Agreement of 1890. S.A. 392 No. 243.

The expression "the disputed territory" has been usually applied to a strip of land between the Shashi (or Tuli) and Macloutsie Rivers, over which sovereignty is claimed by both Khama and Lobengula. (It has of late been occasionally applied to a strip of country north-west of Tati, the mineral rights over which are in dispute between the Chartered Company and the Bechuanaland Exploration Company).

The expression the "Tati District" or "Tati Concession" applies to the district between the

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Shashi and Ramaquaban Rivers, in which gold mines are worked by the Tati Company under concessions from Lobengula, who has authorised the Manager to "keep order" in that district.

"Matabeleland" is the territory of Lo Bengula, King of the Amandebele or Matabele, who was also held by Her Majesty's late Government to be "the undoubted ruler" of certain dependent tribes, viz., the Makalaka to the east, the "Mashonas" to the north-east, and the Banyai to the south-east of Matabeleland proper, the capital of which is Buluwayo, the King's Kraal. It should be explained that as far as Lo Bengula's claims over these dependent tribes are concerned, it had been argued by Bishop Knight Bruce of Bloemfontein and others that Lo Bengula was no more than a marauder, and had no legitimate claims, but it is too late to go into that now, as the matter must be considered to be disposed of by the quoted phrase in the last sentence. His recognised dominions thus extend to the Crocodile (or Limpopo) River on the south, to Gazaland (Gungunhana's country), Umtassa's country and the Portuguese sphere of influence on the east and north-east; to the Zambesi (above Zumbo) on the north-west; and to Khama's country on the west and south-west.

The expression "sphere of British influence" applies generally to such portions of Africa as Her Majesty's Government has considered that it might successfully claim as against other European Powers, to be reserved for acquisition under British administration or by British subjects. It does not imply the existence of any British jurisdiction or Protectorate in such territory, but it has at this moment ceased to have any application to the territories south of the Zambisi dealt with in this memorandum, which, as far as they are not in foreign hands, have come in one way or another under a formally declared protection.

Commercial Rivalry in Khama's County and Matabeleland.

It should be premised, as accounting for the recent struggle for the possession of Mashonaland, that the whole country between the Limpopo and the Zambesi had long been reported to be rich in gold. Some efforts were made to develop a mining industry there as far back as 1870, but they failed, and the country was neglected by speculators until after the development of the marvellous gold-field of Witwatersrandt in the Transvaal about 1886–7, when attention was once more turned to Mashonaland, where, for geological reasons, it was thought that deposits of ore would be found to recur, equalling or exceeding in riches the deposits of "the Randt," and the country became the theatre of a lively struggle between speculative groups almost too numerous to mention. It was a peculiarity of this sharp conflict that each group professed, or allowed itself to be understood, to be under the special patronage of

some powerful influence in England. The names of certain great financiers were freely used. It was said that one group was patronised by the Colonial Office; a rival by the Foreign Office. We do not know who were our supposed clients. Finally there was a group (the Austral-African Company) alleged by many to be favoured by Mr. Labouchere. In this state of things Sir Hercules Robinson, who had been hitherto noted for his unswerving advocacy of a cautious policy in assuming responsibilities in the interior of South Africa, appears to have come to the conclusion that a step forward was the lesser of two evils, and that the Government should secure a controlling influence on the future of Mashonaland. Accordingly in November 1887 he despatched Mr. J. S. Moffat, at that time Assistant Commissioner in the Protectorate, to Buluwayo on a visit to Lo Bengula to warn him against granting concessions recklessly, and also to advise him respecting the supposed intentions of the Portuguese, the Germans, and the Boers to take the whole or parts of his country.

In February 1888, Mr. Moffat concluded an agreement with Lo Bengula, declaring peace and amity between Her Britannic Majesty and that ruler, and confirming an old treaty of friendship entered into in 1836 between his father Mosilikatze (Umsiligaas) and the then Governor of the Cape. Lo Bengula thereby undertook that he would refrain from entering into any correspondence or treaty with any Foreign State or Power to sell or cede any part of the country under his chieftainship, or upon any other subject, without the previous knowledge and sanction of the High Commissioner for South Africa. This treaty, from an international point of view, involved more than it expressed, being in fact enough to justify a claim to treat the country of Lo Bengula as reserved against other nations for Great Britain; and, acting no doubt on this view, Sir Hercules Robinson, in a despatch dated 20th June 1888, suggested that it would be well to intimate to the Governments of Portugal, Germany, and the South African Republic that Her Majesty's Government regarded the country north of the Protectorate and the Limpopo (or Crocodile) River, south of the Zambesi, east of longitude 20° E. and west of the Portuguese province of Sofala—that is to say, all the dominions of Khama and Lobengula—to be within the sphere of British influence.

C. 5524, No. 5.

S A. 358. No. 30.

On 24th July he was authorised by telegram to make this announcement to President Krüger, and about the same date a similar communication was made to the Portuguese Government, and in September following to the German Government.

Nos. 36, 39, and 56.

This action was precipitated by the fact that overtures were being made to Lo Bengula on behalf of the South African Republic, and by a reported intention on the part of the Portuguese authorities in Sofala to enter into negotiations with him, or to assert Portuguese sovereignty over a portion of his territories.

Projects for a Chartered Company.

Of all the candidates for the reputedly rich inheritance of Mashonaland the "Bechuanaland Exploration Company" may perhaps justly claim to have been the first in the field. In December 1887 a concession of prospecting and mining rights in Khama's territory (understood to include the "disputed territory") was obtained from that Chief by Messrs. Heany and Johnson, and this soon after became the property of the "Bechuanaland Exploration Company." The Directors of this Company formed a second Company, "The Exploring Company" with a view to operations of a more widely extended character than those permissible under the constitution of the parent Company; and the new Company at once proceeded to make proposals to Her Majesty's Government to extend the Cape Railway system into Bechuanaland, and otherwise to develop the country to the north. In further pursuance of their schemes they sent Mr. E. A. Maund to Buluwayo, to obtain mining concessions in Lobengula's territory. In an interview with Lord Knutsford in May 1888, they received some encouragement to hope that they would get the right to construct the railway, and thereby secure the business of developing the countries to the north within the British sphere of influence. The Company appeared to be strongly supported by financiers here, and to be in a position to carry out its projects, but Sir H. Robinson threw cold water upon the idea of encouraging them, being disposed to prefer the development of these countries by the agency of Mr. Rhodes and the De Beers Consolidated Mining Company.

S.A. 358. No 20.

Shortly after this divergence of method between Sir Hercules Robinson and the Secretary of State had been made manifest Mr. C. J. Rhodes (who was not then in office at the Cape) submitted to Sir Hercules Robinson proposals for the opening up of the country between the Crocodile River and Bechuanaland on the south, and the River Zambesi on the north, by obtaining from King Lo Bengula and his Indunas a concession to the De Beers Consolidated Mining Company of the parts of Matabeleland and Mashonaland not in the occupation or use of Natives. He suggested that provision should be made for the protection of the Natives in the parts reserved for them and for the development and government of the territories surrendered to the company by the grant of a Royal Charter of the nature of that granted to the British North Borneo Company.

S.A. 372. No. 1.

Sir H. Robinson (writing on the 21st of July 1888) observed, in commenting on these proposals, that the Matabele country was sure sooner or later to fall under the influence of some civilised power, and that a scheme such as that suggested might provide for the security of Native rights and interests as well as for the profitable development of the resources of the waste lands, without entailing on the Imperial Treasury the burden which would be imposed by the annexation of the country and its administration as a

Crown Colony. He added that the extension of British interests in the interior of South Africa by a chartered company connected with the Cape would be more agreeable to Afrikander sentiment than the attempt to effect the same result by the establishment of another inland Colony under Crown Government; and he asked what view Her Majesty's Government took of the matter, which he understood had been mentioned verbally by Mr. Rhodes when in London.*

Lord Knutsford, on the 20th August 1888, replied that Her Majesty's Government would view with favour the settlement of British subjects in the country in question, under concessions which should be fair and reasonable, but that no preference could be given to any one proposed company or syndicate, to the exclusion of others already in competition, and that he did not think it probable that a Royal Charter would be granted to any company.

S.A. 372, No. 2.

On the 18th of March 1889, the High Commissioner wrote somewhat more decidedly than hitherto in favour of securing to some recognised body a monopoly of the privilege of developing Matabeleland and the adjacent countries. A monopoly, he admitted, had disadvantages, but he pointed out that Swaziland presented a striking example of the evils resulting from the unrestricted operations of concession seekers, writing as follows:—"Umbandine has given a "number of concessions to white men for grazing "and mineral rights, for railways, telegraphs, post "offices, banking, and numerous other objects. He "has of course not been able to govern these men "himself. They have failed in an attempt to govern "themselves; and at this moment Her Majesty's "Government have before them the choice of "annexing the country or allowing the South "African Republic to do so.

No. 44.

"The alternatives before us as regards Matabele-"land are to recognise a monopoly, which may "possibly develop into a Royal Charter, or to follow "the Swaziland course of allowing a number of "competing concession seekers of different nation-"alities to establish themselves in the country. Lo "Bengula would be unable to govern or control "such incomers except by a massacre. They "would be unable to govern themselves; a British "Protectorate would be ineffectual, as we should "have no jurisdiction except by annexation; and "Her Majesty's Government, as in Swaziland, "would have before them the choice of letting the "country fall into the hands of the South African "Republic or of annexing it to the Empire. The "latter course would assuredly entail on British "taxpayers, for some time, at all events, an annual "expenditure of not less than a quarter of a million "sterling."

In the interval between Sir H. Robinson's despatch of July 1888 and that of March 1889, Mr. Rudd

* Mr. Rhodes had just been in London to make final arrangements for his great scheme of amalgamating the principal Kimberley Diamond Mines, which amalgamation is now known as the De Beers Consolidated Mines. It will be remembered that it was at this time that he promised Mr. Parnell 10,000*l.*

and other agents of Mr. Rhodes had succeeded in obtaining a concession bearing Lo Bengula's well-known elephant seal, giving them the monopoly of the mineral rights in his country; but the most pressing motive for his thus urging his views on Her Majesty's Government was that the Mr. Maund above mentioned had brought to England two envoys of Lo Bengula, whose representations about the agents of Mr. Rhodes threatened danger to the recognition of the "Rudd Concession," and to the scheme of development which Sir Hercules Robinson considered the only sound one.

Singularly enough, at the very time when Sir Hercules Robinson was thus advocating the recognition of a monopoly in favour of Mr. Rhodes and his friends, Lord Knutsford was holding a series of interviews with Lo Bengula's Indunas, in which they told him their version of how the Rudd concession had been obtained, the result being that on the 26th of March Lord Knutsford addressed a letter to Lo Bengula, warning him, under the form of a parable, against giving all his country to one man. About this letter more will be found at page 12 of this memorandum.

S.A. 372, Nos. 3, 4, 5.

Thus, while Sir Hercules Robinson was clearly from the first in favour of assigning the work of developing the country to Mr. Rhodes and his friends, Lord Knutsford had been encouraging a rival group, and finally decided to give no exclusive preference.

The "Rudd Concession."

S.A. 369, No. 89.

It will be convenient here to indicate the tenor of the "Rudd Concession," the acquisition of which by Mr. Rhodes and his friends was the most important factor in the foundation of the British South Africa Company.

For specified consideration, viz., a payment of 100*l.* a month, 1,000 Martini-Henry rifles, 100,000 rounds of ammunition, and the delivery of a steamboat on the Zambesi River, Lo Bengula, on the 30th October 1888, granted to Messrs. Rudd, Maguire, and Thompson "the complete and exclusive charge "over all metals and minerals" within his kingdoms, "together with full power to do all things they may "deem necessary to win and procure the same, and "to hold, collect, and enjoy the profits and revenues "derivable from them," and he further authorised the concessionaires to "take all necessary and lawful "steps to exclude" from his dominions "all persons "seeking land, metals, minerals, or mining rights "therein," and undertook "to grant no concessions of "land or mining rights from and after this date "without their consent and concurrence," with a proviso that nothing contained in the agreement should extend to or affect the grant made by the King of mining rights in that portion of his territory commonly known as the Tati Concession.

Amalgamation of Interests.

S.A. 372. Nos. 66 & 67.

By April 1889 the two principal groups of rivals, viz., the Bechuanaland Exploration Company and its off-shoot the Exploring Company on one side, and Mr. Rhodes, Mr. Rudd, and the De Beers Mine

on the other, had made up their minds that it was useless for either to hope to induce Lord Knutsford to give them preference over the other, and further that if they were to hope in a Charter, they must pacify their minor rivals. Accordingly in that month proposals were submitted by Lord Gifford, on behalf of "The Exploring Company, Limited," and by the "Gold Fields of South Africa Company, Limited" (represented by Messrs. Rhodes, Rudd, and Beit, holders of the "Rudd Concession"), for the incorporation by Royal Charter of a company which should amalgamate and represent the interests of the various concessionaires who up to that time had acquired ostensible rights in the Bechuanaland Protectorate and the countries lying to the north. This Company was to have for its objects—

1. To extend northwards the Cape railway and telegraph systems in the direction of the Zambesi.
2. To encourage emigration and colonisation.
3. To promote trade and commerce.
4. To develop and work mineral and other concessions under the management of one powerful organisation, securing to the Native Chiefs and their subjects the rights reserved to them under the several concessions.

It was stated that the gentlemen willing to form this association were prepared to proceed at once with the construction of the first section of the railway, and the extension of the telegraph from Mafeking to Shoshong (Khama's town, in the Protectorate), and that for this purpose 700,000*l.* had already been privately subscribed.

It was contemplated that the amalgamated companies should be governed by a board of directors of the highest possible standing in London, with a local board in South Africa of the most influential character. The local board was never formed, the whole control on the spot remaining in the hands of Mr. Rhodes, as Managing Director.

Construction and Objects of a Company to be chartered.

In reply to these proposals those interested were quickly requested to prepare and submit a draft of the proposed charter. The question of its approval would, it was said, depend largely upon the personnel of the directorate and on the provisions made for securing the rights and interests of Europeans and Natives, and upon the feeling of Lo Bengula with regard to the scheme. The reasons which the late Governments left on record for this decision are to be found in a letter from the Colonial Office to the Foreign Office in which Lord Knutsford drew Lord Salisbury's attention to certain advantages which the scheme appeared to offer. He pointed out that if such a company should be incorporated by Royal Charter its constitution, objects, and operations would become more directly subject to control by Her Majesty's Government than if it were left to the parties interested to incorporate themselves under the Joint Stock Companies Acts, as they were entitled to do. If they did so they could not be prevented from

S.A. 372. No. 75.

No. 76.

taking their own line of policy,* which might possibly result in complications with Native Chiefs or others, necessitating military expenditure and perhaps military operations. The example of the Imperial East Africa Company was referred to as showing that such a body might to some considerable extent relieve Her Majesty's Government from diplomatic difficulties and heavy expenditure. In Lord Knutsford's judgment (it was stated) such a company as that proposed was likely to render still more valuable assistance to Her Majesty's Government in South Africa. He pointed out that nothing could be more unsatisfactory than the condition of things existing in the Bechuanaland Protectorate. Every year large grants had to be obtained from Parliament nominally in aid of civil expenditure, but almost altogether swallowed up in the maintenance of a semi-military police force, whilst the peace of the country was by no means so well assured as it ought to be, and fresh demands were being made on Her Majesty's Government for further expenditure on an increase of the police and telegraph construction, pronounced to be absolutely necessary for the safety of the country.

The Foreign Office concurred speedily in these views, and after some further inter-departmental discussion, partly private and verbal, the secondary but important point was settled that, if a charter should be granted, the Company's "principal field of operations" should be defined in so widely worded a manner as to admit of the inclusion of territory north of the Zambesi.

Representations of the Petitioners.

S.A. 372. No. 836.

On 1st June Mr. C. J. Rhodes, being about to leave England for the Cape, made certain further offers to Her Majesty's Government, in a letter from which it will be well to quote. (The reason for putting so much of what immediately follows in italics is that it bears on a curious and important misunderstanding which occurred between the Petitioners for the Charter and the late Government.) He wrote "*the holders* " *of the concession obtained by Messrs. Rudd, Maguire,* " *and Thompson have arranged with the majority of* " *other persons claiming interests in Matabeleland,* " *and the amalgamated company intends to proceed* " *forthwith with the opening up of that country* . . " I would suggest that an officer should be appointed " at an early date to reside in that country. This " officer should be under the Deputy Commissioner " at Vryburg and the High Commissioner at Cape- " town, and should be instructed to advise Lo " Bengula, and to give *the company* moral support " so far as this can be done without entailing on " Her Majesty's Government any responsibility or " expense.

" In return, I would offer, *on behalf of the com-* " *pany*, to pay for the immediate construction of a " telegraph from Mafeking . . . to Tati, and " also to give a contribution to Her Majesty's " Government which would be sufficient to cover

* This opinion may be regarded as arguable matter from a legal point of view. The better opinion seems to be that British subjects cannot rightly exercise coercive jurisdiction without some special licence from the Crown.

" all the expenses of the supervision of Matabele- " land . . . . With a view of carrying out " these proposals, and pending the decision of Her " Majesty's Government as to the *granting of the* " *Charter*, I offer *on behalf of the Company*, to pay " a capital sum of 30,000*l.* for the construction of a " line of telegraphs, and a contribution of 4,000*l.* per " annum for the maintenance of an officer in that " country."

In a subsequent letter Mr. George Cawston, a leading member of the "Exploring Company" division of the Promoters, submitted to Sir R. Herbert a semi-official statement of the " details of the various amalga- " mations which have been made, and of the present " union of interests," from which it would be seen " that by the amalgamations made . . . . all " those who were considered to have rights in Mata- " beleland up to the present time *are united into one* " *company*, and propose *to work* together for the " development of the country . . . . We " have been in negotiation with the African Lakes " Company (north of the Zambesi) and have agreed, " subject to the approval of Her Majesty's Govern- " ment, *to unite their interests with the Chartered* " *Company*, and to spend a sum not less than " 9,000*l.* a year on administration and police in those " districts." After enumerating a number of minor rivals with whom at that time he believed or hoped that he and his friends had settled, he continued thus: " this explains all that need be said with " reference to *the amalgamations and finance;* " it is now only necessary to mention the sub- " ject of *the Directorate*," and he named Lord Balfour of Burleigh as chairman, with the Duke of Abercorn and the Earl of Fife as co-directors, who would have the choice of their colleagues. Lord Balfour did not as a matter of fact join, being a member of the late Administration. The Exploring Company were shortly afterwards informed that Her Majesty would, on conditions to be specified, be advised to grant such a Charter as was applied for, and the grant of a Royal Charter was approved by an Order in Council of the 15th of October 1889, and communicated to Sir H. Loch, the new High Commissioner, with certain comments.

S.A. 372, No. 106.

No. 109.

No. 163.

The charter and this despatch should be read in full. Copies are appended to this memorandum.

The Charter is based on the three Charters previously granted on the advice of Secretaries of State for Foreign Affairs, but contains several novel provisions for strengthening the control of the Government over the Company, and a time clause (Article 33) limiting the duration of the administrative powers of the Company to 25 years, with powers of renewal for periods of 10 years.

The United Concessions Company.

Whilst the italicized correspondence above quoted and the provisions of the Charter are fresh in mind, it will be opportune here to state (though the fact did not become known to this Department until later) that Her Majesty's Government were misled as to the real position which the Chartered Company, on its formation, was to occupy, and of the nature of its

interest in the concession or concessions which it was believed would constitute its assets, the actual arrangements being of a nature contrary to what was understood and apparently incongruous with the particulars of the petition recited in the preamble to the charter.

It appears that the "Amalgamated Company," "Company," or "Chartered Company," of which Lord Gifford, Mr. Rhodes, and Mr. Cawston wrote in the letters above quoted as combining all interests and owning the concessions acquired in the Protectorate and Matabeleland was not one Company but two, one the "Chartered Company" and the other the "Central Search Association" which has since developed into "The United Concessions Company" under which latter title its existence at length became generally known to the public. It is understood that the concession from Lo Bengula never actually passed, in full proprietary right, to the Chartered Company, but is *leased* by the "United Concessions Company" to the Chartered Company for a payment of one half of the net profits of all their present and prospective undertakings, which, however, have to be conducted entirely by and at the expense of the Chartered Company. It is believed that this lease is terminable not only by the insolvency of the latter but by their ceasing to have the resources to develop the concessions, which in that case would not be an asset in the liquidation of the Chartered Company but would remain in the hands of the United Concessions Company for such use as they can make of them. The late Government abstained from calling for copies of this agreement. Lord Ripon, however, has now done so. As the Chartered Company has at this date (October 1892), so far as can be judged, disbursed more than all its capital; as it is committed to more than one expensive further undertaking, and as its expenditure exceeds its revenue, these circumstances are important, and the situation requires careful consideration.

Shortly after the Chartered Company was launched, steps were taken for the voluntary liquidation of the "Central Search Association," the body actually holding the Rudd Concession, and for the formation of the "United Concessions Company," which should take over the interests of the "Central Search," and allot shares "as fully paid up" (in proportions fixed by agreement) to the Rudd Concessionaires, and all the minor rivals of the promoters of the Charter Scheme. For this purpose, it was thought necessary to fix on a very large nominal capital, so as to avoid fractions. The actual amount decided on was 4,000,000*l*. It is understood that this figure was selected on the ground that as the Concessions Company was entitled to a half share of the net profits of the Chartered Company, whose capital was 1,000,000*l*., and whose shares were then at 4*l*., the former's interest might be taken to be worth four times 1,000,000*l*.

In a minute on C.O./366/92, South Africa, Sir R. Herbert wrote: "It may be safely stated that no "persons connected with Her Majesty's Govern- "ment had any idea that such a scheme was in con- "templation when the charter was being considered

"and settled. If it had been disclosed the charter "would certainly have been refused. It may even "be a question whether the announcement of it now "does not render it necessary to consider whether "the charter should be revoked. That would be a "very objectionable course, because it would involve "the establishment of an administrative protectorate "over all the Company's territories."

Lord Knutsford on this wrote: "As at present "advised, I am against revocation, and for the "reason, amongst others, stated by Sir R. Herbert "here, and by me in minute on Gov./198/92," which minute runs, "Although I think we have been misled "by the British South Africa Company's founders "I am not prepared to take any steps towards "putting an end to the charter. This would impose "upon this country the responsibility of taking over "and administering this enormous territory subject "to the concessions. We must also bear in mind "the position of the Company north of the Zambesi. "We must therefore make the best of the position "and assist the Company in any legitimate means of "strengthening their hands." The injury which the promoters of the Chartered Scheme are held to have done to the Chartered Company in assigning half their profits to the "United Concessions Company" is, that they have crippled the former Company's power of raising the additional capital which seems necessary if their scheme is to be carried through to success.

First Movements of the Company.

On the signing of the Charter, the 30,000*l*. which had been offered by the Company for the construction of telegraphs was paid over, the work being rapidly pushed on, at a cost to the Company which proved to be nearly double the original estimate. The next question which engaged attention was the provision of a police to support the Company's operations. The promoters seem to have desired that the work should be undertaken by the Government on condition of its receiving an adequate subsidy from the Company, and Mr. Rhodes made an offer to the authorities at Cape Town to find the money. The Company in London were informed that Lord Knutsford considered the police strong enough for its legitimate work, that he hoped no increase would be required for the maintenance of the Protectorate, that it would be irregular and contrary to the representations on which funds had been obtained from Parliament for the police to operate within Lo Bengula's country, or elsewhere beyond the Prtoectorate; but that if the Company saw reason to think that the existing force might not be sufficient, in addition to its regular duties, to provide protection for working parties on the telegraph and railway routes, and to secure and maintain unbroken communication between British Bechuanaland and the Company's field of operations, and desired therefore in its own interests to supplement the Parliamentary provision for the force, Lord Knutsford would consider the proposal. But that whenever the Company should think it necessary that there should be an armed force in Lo Bengula's country, or elsewhere beyond the Pro-

S.A. 372, No. 154.

tectorate, it must organise its own police force under a separate command, in accordance with Clause 10 of the Charter ; and that before doing so it would be very important to secure Lo Bengula's acquiescence. Lord Knutsford promised to ask the Secretary of State for War to lend or transfer to the Company's police force, when it should be raised, some of the officers of the Bechuanaland Police, who were also officers of the British Army.

It may be added that it was pointed out in the same letter that the Rudd Concession did not confer the powers of government or administration contemplated in clauses 3 and 4 of the Charter, but that these would have to be obtained from Lo Bengula whenever a proper and favourable time should arrive.

This letter led to the formation of the Company's separate police. Some officers were secured from the army for service with it, and our police officers gave assistance in recruiting it.

Further Influence on Lo Bengula.

S.A. 372 Nos. 153 and 166. It was decided at this date (November 1889) further to smooth the way for the introduction of the Company into Lo Bengula's territories by sending him a letter from the Government, which would counteract some misunderstanding caused in his mind by the message from Lord Knutsford of 26th March 1889, brought back to him by the two indunas, who had visited England under the conduct of Mr. Maund, of the "Exploring Company," and which would afford him fresh advice as to his action under the new circumstances created by the grant of the Charter.

No. 32. In the letter sent by the hand of the indunas (which did not reach the Chief till August) it was stated that "the Queen wishes Lo Bengula to "understand distinctly that the Englishmen who "have gone out to Matabeleland to ask leave to "dig for stones have not gone with the Queen's "authority, and that he should not believe any state-"ments made by them to that effect," and that he should not hastily grant concessions of land or of leave to dig, or put too much power into the hands of men who came first. "A King," Lord Knutsford had remarked, "gives a stranger an ox, not his whole "herd of cattle; otherwise, what would other "strangers arriving have to eat?" Lo Bengula understood this message to be condemnatory of the action of those who had obtained the Rudd Concession, an idea which Mr. Moffat says was fostered by Mr. Maund and the competitors of the Chartered Company. This impression, combined with the rumour which reached him that the Chartered Company claimed to have obtained from him a grant of all his territories, so incensed him that he murdered

No. 184. Lotje, the induna who had most prominently advised the granting of the Rudd Concession, and destroyed all his family. The effect of this was to frighten Mr. Thompson, the Company's representative at Buluwayo, so that he went away to Cape Town, a proceeding Mr. Moffat thought unwise, as being likely to increase Lo Bengula's suspicion that Messrs. Rudd,

Maguire, and Thompson had played false with him. The responsibility for causing the murder of Lotje Mr. Moffat attributed jointly to the "anti-monopoly" letter from Lord Knutsford, and to one from the Aborigines Protection Society, which also warned Lo Bengula against granting concessions. S.A. 372, No. 151.

It was decided that the fresh message from the Queen should be delivered by the hands of special messengers, one captain, one surgeon, and one non-commissioned officer of the Royal Horse Guards being lent by the Horse Guards for the purpose, and appearing before the King in cuirass, helmet, and jack-boots. No. 177.

The Queen's message (dated 15th November 1889) recommended Mr. Moffat to his confidence, as an officer appointed according to his understood desire, who would stay with him as long as he should wish, and whose words he should believe, and it was further suggested that, as he was understood not to wish to interfere in the disputes of white men, he should give jurisdiction in relation to such disputes to the Company. (What had been previously said about not giving all to one stranger was explained in a subsequent message by the observation that the Company was not one man, but many men.) The delivery of this second message to Lo Bengula was productive on the whole of good effect; though the Chief was too acute to be persuaded that there were no discrepancies between its tenor and that of the earlier message, and disclaimed having made any complaint of having been unable to control the white men who were coming into his country. He had also not expressed any desire to have an official British Resident at Buluwayo, but the contrary. He was affronted by the suggestion that jurisdiction should be given to strangers in his territory, though Mr. Moffat considered that if the proposal had not been foreshadowed, but left to be made when a case for jurisdiction arose, there would probably have been no difficulty. As, however, Messrs. Jameson and Doyle, the Company's representatives at Buluwayo, were dealing tactfully with the King, there was good reason to hope that the difficulties would in due time be smoothed over. No. 166. S.A. 392, Nos. 77, 98, and 124.

Mr. Moffat's position at Buluwayo was now in course of clearer definition. It was recognised that his emoluments were inadequate, and the Company were reminded of their offer to provide 4,000*l.* a year for the maintenance of an Imperial officer at Buluwayo. They agreed ultimately to make provision at the rate of 3,100*l.* a year for the payment of Mr. Moffat and his staff, his travelling expenses and incidentals, the arrangement to be reconsidered after two years' duration, or at the end of 1891. S.A. 372, No. 190. S.A. 392, Nos. 1, 15, 67, 105, and 106.

Mr. Moffat was authorised to inform Lo Bengula that all communications from persons in the British sphere of influence to the British governmental authorities were to pass through his hands, and to add that it was desirable that the Chief himself should send all his communications to the Queen or the High Commissioner through him, so that there should be no doubt of their authenticity.

Preparations for Mashonaland.

It will be remembered that when first the idea of a Chartered Company was entertained, the expectation was that Her Majesty's Government might thereby be relieved of the cost and responsibility of administering the Bechuanaland Protectorate. The development and administration of Lo Bengula's dominions had not been the primary object in the mind of Her Majesty's Government, although it was no doubt that of those who held the Rudd Concession.

S.A. 392, Nos. 11 and 12.

At an interview with Sir Henry Loch on the 10th of January 1890, and in a letter of the day following, Mr. Rhodes explained his plans, which were, briefly, to advance into Mashonaland with a body of miners, road-makers, and police, by a route so far south as to avoid the kraals of Lo Bengula's own tribe. It should be explained that while Lo Bengula individually was supposed to entertain friendly feelings towards the Company, his power to control his "young men" or warriors was by no means evident, and the expedition would obviously be attended with considerable risk of collision with the Matabele. Before the preparations for the expedition were complete, the Company were

No. 27.

threatened with danger of another sort, by the development of a project for a trek of Boers from the Zoutpansberg district of the Transvaal, joined with other filibustering spirits, to occupy Mashonaland. Indeed projects of a Boer trek into Mashonaland had been mooted as early as 1887, concurrently with the renewed activity of English speculators for its development. The Company were therefore forced to make, and Mr. Rhodes took on himself the responsibility of making arrangements to occupy that district in effectual strength at an early date. It was owing very largely to these circumstances that the British South Africa Company at the outset of its public career became identified with Mashonaland, to the entire passing over of the Protectorate, and opened its operations with an enormous outlay upon an expedition in force to the remotest districts of a comparatively unexplored territory.

About this time operations for "blackmailing" the Company were begun. In the first place, they were confronted by alleged concessions from Mashonaland and Banyai Chiefs. One set were claimed by a renegade Irishman, named Bowler, who was fomenting the scheme for the migration of Zoutpansberg Boers to occupy the country north of the Limpopo with the countenance or co-operation

No. 38.

of Portugal. This latter pretence was entirely fictitious, as Portugal was already bound to Her Majesty's Government to recognise the Chartered Company's concession as within the British sphere of influence. Pressure was immediately put on

Nos. 32, 33, 39, 42, 43, and 107.

President Krüger to induce him to suppress this movement. The effectual element in this pressure was the threat that the Swaziland question (upon which Sir F. de Winton had just reported to Her Majesty's Government) should be left in *statu quo* unless he stopped it. The Transvaal Government

publicly notified their disapproval of the trek, and the movement was held in check. The next competitor in the same field that was sprung upon the Company consisted of a syndicate represented by Mr. W. A. Lippert, (brother of Mr. E. Lippert presently mentioned), claiming to hold concessions obtained from independent Mashonaland Chiefs by Mr. F. C. Selous, the well-known hunter, and two other recent travellers in Mashonaland, Messrs. Johnson and Heany. Mr. Selous proposed to turn to account his great reputation for a knowledge of South African tribal relations by publishing a series of articles to prove that Mashonaland was independent of Lo Bengula, but he was persuaded by Mr. Rhodes that 2,000*l.* in hand was more than he would be likely to get by any possible operations of the Lippert Syndicate, and for this sum in cash, and 750*l.* to each of his companions, their services were transferred to the Chartered Company. The Lippert Syndicate protested in voluminous correspondence, but collapsed, W. A. Lippert himself flying to the Continent to escape arrest for a bank forgery.

S.A. 392, No. 141A.

Her Majesty's Government were very reluctant to authorise the advance of an expedition in force into Mashonaland without Lo Bengula's express consent; but on the 10th of March 1890, having been informed by Sir H. Loch that "Lo Bengula "had sanctioned the occupation of Mashonaland," and, being influenced by his representation that it would be impossible much longer to prevent a rush to the Mashonaland Gold Fields, unless the Company were allowed to anticipate such a movement, they gave their consent.

No. 26.

No. 40.

No. 64.

Mr. Rhodes made arrangement by contract with Messrs. Selous, Johnson, Heany, and Borrow for raising a pioneer expedition constituted as follows: —170 picked men, 400 Native drivers and leaders, and about 90 waggons, to lead the expedition into Mashonaland. These were to make a road from the Macloutsie River to Mount Hampden in Mashonaland, along a line said to have been approved by Lo Bengula, and were to be supported by a force of the Company's police, numbering 500. A numbe of private prospectors went up with or shortly after this expedition.

No. 162. Encl. 1.

Sir H. Loch's Policy as regards the Protectorate.

Sir Sidney Shippard, the Administrator o. Bechuanaland, has always expressed very decided views in favour of the annexation of the Bechuanaland Protectorate to the British Dominions. These opinions appear to have been adopted by Sir Henry Loch, who in a despatch of the 5th of March 1890 made strong representations on the subject, both with a view to settling the difficulty of jurisdiction over Europeans, for which he represented there was no constitutional warrant, and more easily maintaining order among the southern Chiefs, and with a view to recovering by taxation or by contributions from the Chiefs some portion of the cost of administering justice in the country and maintaining the police.

No. 87.

S.A. 392, No. 158. The reply of Her Majesty's Government to this was :—

(i.) That the limited jurisdiction under the Order in Council of 1885, already exercised through the Assistant Commissioner in the Protectorate, was sufficiently authorised by the formal assent of the Chiefs, obtained by Sir C. Warren before the Order in Council was issued;

(ii.) That Her Majesty's Government, in granting the Charter, had deliberately designed to substitute that method of providing for the government of the Protectorate for the method of annexation;

(iii.) That the present time would be in any case unsuitable, as the annexation of the Protectorate up to his borders might lead Lo Bengula to interpret the concurrent advance of the Chartered Company as preliminary to an annexation of his own dominions.

No. 165. In a later despatch from home it was suggested that without making any alteration in the political status of the Protectorate, provision might be made for the regular exercise of influence over the Chiefs and a continuous supervision of their proceedings by stationing police officers in their several towns. After further representations from Sir Henry Loch
No. 190. as to the need for a more formal assertion of the Queen's authority in the Protectorate, an Order in Council (30th June 1890) was issued under the
No. 243. "Foreign Jurisdiction Act," and sent out, declaring the extension of British jurisdiction (hitherto reaching only to 22° S.) up to the Zambesi on the north, and *the borders of Matabeleland* on the east. This Order in Council could only take effect in so far as its powers should be applied by legislative proclamation of the High Commissioner. The first, and for the time the only, use to which this new authority was to be put, was to issue a legislative proclamation legalising the exercise of discipline over the Bechuanaland police, and the members of the Company's force whilst serving within the Protectorate. Whenever the Company's pioneers and police should have passed beyond the Protectorate into Matabeleland, it would, it was said, be necessary for the Company to enforce discipline by an Ordinance of the Company, based on some grant by Lo Bengula of authority so to legislate.

The Advance into Matabeleland and Mashonaland.

No. 64. On March 10, 1890, Sir H. Loch was, as already stated, authorised by telegraph to exercise his discretion as to permitting the Company's expedition
No. 157. to enter Matabeleland, and he was subsequently warned that no movement of the Bechuanaland police into that country, in order to co-operate with or support the expedition, could be sanctioned except for very strong reasons and in some most pressing emergency. The Northern Police depôt of this force had now been moved from Elebe to a healthier position near the Macloutsie River, the

detachment there being strengthened, and a new police post established at Gaberone's in the Southern Protectorate.

On the 6th of June Sir H. Loch, after receiving a satisfactory report from General Methuen as to the efficiency of the Company's forces, gave his final permission for their actual advance into Matabeleland; and it may here be stated briefly that the expedition proceeded without molestation to its destination at Mount Hampden, at which place the pioneers arrived in August, after a most laborious journey, at a cost stated by Mr. Rhodes as "something like 200,000*l*. S.A. 392, No. 221. See No. 324

Lo Bengula's Attitude.

Although it had been understood, from the statements of the Company's representatives, that Lo Bengula had approved of the Company's sending a party to prospect for gold ("men to dig") into Mashonaland along the route prescribed, yet the massing of armed police on his frontier and the proportions of the actual expedition both alarmed him and irritated his fighting men. The alarm and irrita- Nos. 266, 275, 278, 288, 297, 299, 306.
tion were increased by the intrigues of persons at Buluwayo who represented that the Company claimed to have acquired his territory, and to be in league with the Portuguese for its partition. He sent a special envoy to the Cape, Umshete—one of the two No. 291.
who had visited Lord Knutsford in 1889—who had several long interviews with Sir Henry Loch, and on the 10th of September a fresh message was sent from No. 297.
the Queen to reassure the Chief and to disarm his suspicions of the Company and Mr. Moffat. The opportunity was taken to explain to the Chief the discrepancy between the first two messages which, as already stated, Lo Bengula had observed. He was recommended to send white mischief makers out of his country. Unquestionably at this time he had great difficulty in repressing his young warriors, who were anxious to attack the expedition, and was compelled to show himself jealous of any intrusion of foreigners into the country, and though he may perhaps have himself pretty clearly understood the intentions of the Company, he made preparations at Buluwayo as for possible hostilities. There was something like a panic among the white residents. The return of Umshete appears to have temporarily re-assured him, and he even sent an agent to mark out a mining claim for himself No. 344.
in connexion with the Company's occupation.

Expansion from Mashonaland.

In the instructions (13th May 1890) furnished No. 198.
to Mr. A. R. Colquhoun, whom the Chartered Company appointed to be their administrator in Mashonaland, there were directions to him to visit "the Chief of Manica" (Umtassa) as early as possible, to obtain a treaty and concessions, and to endeavour to secure the right of communication with the seaboard, and to report on the best line of railway. The Chartered Company had at this time apparently some expectation

of being able to extend the sphere of their operations over much if not the whole of Manica and Gazaland, and to induce Her Majesty's Government to force Portugal in the negotiations then proceeding to accept a very limited area of dominion on the East Coast, if not to make way altogether for the Company at some chosen spot on the coast.

Mr. Colquhoun, at the beginning of September, visited Umtassa's kraal, and obtained from him a concession, first satisfying himself that the Chief was practically independent of the Portuguese, who however made a protest against the visit and the concession. In subsequent correspondence the Company maintained that Umtassa lay unquestionably outside the Portuguese boundary as provided in the agreement of August 1890, which was never ratified by the Cortes, but which formed the basis of a *modus vivendi* dated 14th November 1890. A detachment of their police (Captain Forbes with ten men) was stationed with the Chief, to keep in touch with him, and to stiffen him against the Portuguese. Messrs. Taylor and Torgius, two Natal men in Portuguese employ, seeking concessions from the Chief, were arrested and deported by the Company.

S.A. 403, No. 36.

S.A. 392, No. 342 and Appendix.

Collision with the Portuguese.

The proceedings of the Company irritated the Portuguese authorities in the country, and on the 8th of November a Portuguese force under a Native partizan, named Gouveia, attacked Umtassa's kraal, hauled down the British flag, and hoisted the Portuguese. On the 15th, Captain Forbes, reinforced by 50 men of the Company's police, attacked and drove them out, and took prisoners Gouveia, Colonel D'Andrade, and Baron de Rezende of the Mozambique Company.

S.A. 403, Nos. 2 and 39, and others.

The prisoners were shortly afterwards released, and are now suing the Company in the English Courts for damages.

Captain Forbes advanced to Massikessi, where the Mozambique Company had established a depôt, and occupied that place. A Portuguese force was sent to dislodge him; and the Beira (Pungwé) route into Manica was closed by the Commandant, which was in contravention of our provisional agreement with Portugal.

Sir H. Loch was urging by telegraph that gunboats should be sent to Beira and Delagoa Bay. Her Majesty's Government were insisting that the Company's police should withdraw from Massikessi, their presence there being a breach of the "*modus vivendi.*" The Portuguese refused to open the Pungwé route so long as the police were at Massikessi, but Major Sapte, Sir H. Loch's A.D.C., as a special messenger, was allowed to pass up bearing instructions to them from the Company to withdraw. Two cargo vessels, the "Agnes" and the "Shark," in which the Chartered Company were sending in stores by that route, were seized at Beira on attempting to force a passage in face of the opposition of a Portuguese gunboat. Fresh irritation was caused by the rout, with some slaughter, of the

Portuguese force which had been sent to expel the Company's police from Massikessi. The Company's steamer "The Countess of Carnarvon," which had entered the Limpopo for the purpose of conveying to Gungunhana, King of Gazaland, the subsidy agreed on under a concession he had granted to the Company, was seized by the Portuguese Customs officers; and generally speaking a high state of tension was developed. As, however, this chapter is now closed, and all difficulties with Portugal in these parts have been set at rest, it is needless to follow minutely the history of these embroilments.

Gungunhana.

But the relations of the Company with Gungunhana should perhaps be more particularly referred to. The Company, on the assumption that the failure of the Cortes to ratify the Anglo-Portuguese agreement of August 1890, left them a free hand, sent Dr. Schultz to obtain from him concessions of mining, and such other rights as he could grant. Gungunhana received the envoy favourably. It seemed that, however the matter might appear in treaties, he was practically independent of the Portuguese. The Company thought that on grounds of Imperial policy advantage should be taken of this fact to oust the Portuguese and establish "British influence." Dr. Schultz (taking upon himself without any warrant to negotiate in Her Majesty's name) obtained a concession, dated the 4th October 1890, granting rights of administration and other privileges over all Gungunhana's country. Gungunhana asked leave to send envoys to England; but this was discouraged by Her Majesty's Government, who wished to avoid any appearance of unfair dealings with Portugal. Then followed the incident of the seizure of the "Countess of Carnarvon" above referred to, with regard to which it may be observed that the Company are understood to have been in igorance of the undoubted treaty rights of Portugal over the coast and ports. Sir H. Loch urged that the British flag should be shown on the Limpopo, so as to counteract the effects of the apparent rebuff of English by Portuguese, that Gungunhana's independence should be recognised and his envoys allowed to come to England. The Company were warned by Lord Salisbury not to hoist the British flag at Gungunhana's kraal on the expiration of the provisional agreement ("*modus vivendi*"), without further authority, and Sir H. Loch was informed that his proposals would be a breach of our understanding with Portugal, and would impede negotiations with Portugal, which had never been broken off. In commenting on Gungunhana's concession which was sent home in April 1891, the High Commissioner observed that it effected an important advance of British influence in South Africa, but expressed a fear that a bad impression had been produced by the seizure of the "Countess of Carnarvon" and by the closing of the Pungwé and Limpopo by the Portuguese, and recorded his regret that some demonstration of British force had not been made. He also made the mistaken assertion that the Company had

S.A. 403, No. 295.

No. 136.

Nos. 154 and 156.

Nos. 295 and 299.

acted in the matter "with the tacit consent of Her Majesty's Government." Of this there is no evidence.

Sir Henry Loch's Views as to Jurisdiction in and beyond the Protectorate.

The Company, as ever, harassed by blackmailers, had still its enemies at the Court of Lo Bengula, the principal being Messrs. Tailyour, Boyle, and Hassforther, who were reported to be seeking to induce Lobengula to depart from his attitude of acquiescence in the proceedings of the Chartered Company. Mr. Moffat in November 1890, was endeavouring to induce him to sign a document to authorise their exercise of jurisdiction over all white persons in Mashonaland. The King held off, and descanted on his grievances against the Company and the Government, protesting he had not meant to grant any monopoly even of gold mining. Mr. Moffat rightly doubted that he would consent to sign the document at all, but made up his mind to persist in patience. The Queen's message to Lo Bengula of the 10th September produced a better effect, but Lo Bengula, for consistency's sake, adhered to his former position, and cut short by slumber Mr. Moffat's endeavours to shake it. In view of these and other difficulties Sir H. Loch was again pressing his proposals for the creation of jurisdiction, and this time, not only in the Protectorate but in Mashonaland, referring particularly to the large influx of adventurers who had been attracted thither by the then very general belief in the extraordinary riches of the country. There was no chance, he said, of Lo Bengula's granting any cession of jurisdiction, but he thought it would be possible for Her Majesty to *assume* jurisdiction in Mashonaland, and to delegate such jurisdiction to the Company, the prerogative of mercy remaining with the High Commissioner. These recommendations were supported by Sir S. Shippard.

S.A. 403, No. 59.

No. 85.

S.A. 414, Nos. 1 & 3.

No. 4.

The High Commissioner's First Visit to England 1891.

In January 1891 the High Commissioner and Mr. Rhodes came to England to discuss various questions with Her Majesty's Government, principally those last mentioned, viz. Jurisdiction, and the relations with Portugal. Whilst here, in a letter dated the 6th February, Sir Henry Loch set forth once more his views as to the policy of annexation which he would have had Her Majesty's Government adopt, recapitulating and enlarging on the arguments employed in former communications. He urged—

That the Protectorate and the whole of the country within British influence, up to the Zambesi, should be annexed to the British Crown;

That this annexation would carry with it the right of jurisdiction;

That the exercise of jurisdiction otherwise than by annexation, though practicable under an Order in Council, would add very considerably to the expenses of the administration of the Crown Colony and the Protectorate.

S.A. 403, No. 80.

He would annex the Crown Colony of Bechuanaland, except Mafeking and the northern portion, to the Cape Colony, the Cape taking over all Government buildings at a valuation, and erecting new buildings as required atMafeking.

The expenses of government in the extended Protectorate should be raised by a hut tax, or a tax in lieu; customs (under the Customs Union); sales of land; quitrents; post office; minerals; licenses; contribution from British South Africa Company; and Parliamentary grant.

The cost of administration would not exceed the present expenditure in the Crown Colony, whilst 100 police would be released from the Colony for service in the Protectorate.

This would *save an increase* in the force which *would be* absolutely necessary if the Crown Colony were not transferred to the Cape, whether jurisdiction were to be exercised in the Protectorate under Order in Council, or under annexation. Only in the case of annexation could a revenue be raised to counterbalance this.

Annexation should include Lo Bengula's country, but should not take effect during his life. As regards Mashonaland, the British South Africa Company should *exercise the administrative authority*.

Every regard should be paid to the wishes of Khama and the Southern Chiefs.

The British South Africa Company would (Sir H. Loch believed) be prepared to undertake to contribute to the cost of administration on the understanding that if at any time after five years Her Majesty's Government should wish to be relieved, the Company should have the prior right to undertake the Administration, and should be bound to do so if required.

Imperial interests should be strengthened along the whole western frontier of the Transvaal. *If it were not for the Imperial support given to the British South Africa Company Krüger would no doubt at once invade the Protectorate, and attempt by force to acquire the Banyai Country.*

The boundary of the British South Africa Company on the east should be extended to 33° E.Long., and there should be a joint undertaking between Great Britain and Portugal to recognise the independence of Gungunhana.

This letter formed the subject of verbal discussion with Sir H. Loch, the result being that whilst the scheme was not adopted in its main features, it was acknowledged to be desirable that some extension of Her Majesty's direct authority in territories south of the Zambesi should, if possible, be secured, as it was held that the Company's powers under the Charter and the Rudd Concession were not adequate for the objects desired.

About the same time, however, Lord Knutsford saw reason to be satisfied that the 10th Article of the Charter was sufficient warrant for the enactment of Ordinances by the Company for certain purposes in Lo Bengula's territories, without any grant of authority from the Chief, or further delegation of powers by Her Majesty.

L. O., 3579/91, & S.A. 414, No. 24.

New Order in Council proposed.

See S.A. 403, No. 214.

An Order in Council was drafted, delegating such powers and jurisdiction as the Queen might have to the High Commissioner, and empowering him to legislate by proclamation for giving effect to such powers and jurisdiction, within the field of operations of the Chartered Company south of the Zambesi. A legal difficulty here presented itself, arising out of the circumstance that Lo Bengula had not granted any jurisdiction either to the Queen or the Company; but this difficulty was surmounted, with the assent of the Foreign Office and the Law Officers, by showing that the European Concert, as represented by the Berlin Congress and the Conference of Brussels, had established a special public law for Africa, whereby a European Power might take a portion under its protection without the formality of a grant from the local Native ruler. A certain section of the late Government, are understood, however, to have expressed a reluctance to concur in declaring a Protectorate over Lo Bengula's country. This, indeed, has never been done by any formal proclamation; but already in 1890, during the Trek scare of that year, Lo Bengula's country had been referred to in a telegram from Her Majesty's Government as under "the Queen's Protectorate," and in a telegram of the 18th April 1891, sent on the recurrence of a similar crisis; it was spoken of as "under the protection of the Queen."

S.A. 392, No. 33, and S.A. 403, No. 219.

Lord Knutsford's minute, which decided the exact wording to be adopted in the Order in Council, was as follows:—

"Leave the recital 'under the protection.' We "can afterwards contend that 'under the protection' "='Protectorate,' or, if a difficulty is actually likely "to arise, declare a Protectorate."

Lo Bengula, who was probably never averse to our exercising jurisdiction in connexion with the affairs of the Company's settlement in Mashonaland, has never raised any objection to our assertion of jurisdiction.

The Adendorff Trek Scare.

S.A. 403. No. 163

Early in April 1891, Sir H. Loch reported by telegraph that a fresh movement was on foot in the South African Republic for a trek into the Banyai country, with a view to the establishment of a Republic to extend from the Limpopo to the Zambesi, including Mashonaland, on the strength of concessions stated to have been granted by local chiefs to a Boer named Adendorff; that he was issuing a Proclamation which he hoped would have a good effect, but that the situation was very serious; that he was in communication with President Krüger, but that General Joubert was reported to be engaged in the promotion of the scheme, The Afrikander population of the Cape Colony opposed, and expressed most strongly their opposition to, the project of the trek and of the establishment of the Republic. In these circumstances it had to be considered whether the proclamation of a Protectorate over Matabeleland and Mashonaland and of the intention of this country to exercise jurisdiction in those territories, should not

Nos. 217, 218, and 298.

No. 177.

be proceeded with immediately. It was judged that the High Commissioner would thus be in a better position to deal with trekkers than he was so long as this district was merely in our "sphere of influence." The Boers would be less inclined to declare a Republic, and if the High Commissioner had power to make laws they might be willing to submit to such laws and settle down quietly. The further grave question arose whether and how far the Company could be supported by Her Majesty's Government under existing circumstances in repelling the advance and settlement of trekkers. Sir Henry Loch urged that the contemplated Order in Council should be published at an early date, adding that he had no doubt that the Boers and Portuguese were acting in concert, the former hoping to jump the best of Lo Bengula's land, the latter to recover the whole of Manica and secure the support of Gungunhana. (As already explained at page 18, the relations between the Portuguese in Manica and the Chartered Company were about this time at their worst.)

S.A. 403, No. 187.

Sir H. Loch was instructed (as already stated) to inform the Government of the South African Republic that the territory of Lo Bengula, our ally, was under the Queen's protection, and that any attempt to set up any form of government there or elsewhere in the British sphere, or any proceedings in any manner inconsistent with that protection, would be deemed an act of hostility. That the Government would be held to their undertaking in Article X. of the Swaziland Convention of 1890 (withdrawing all claims to extend territory northward, and undertaking to aid and support the authority of the British South Africa Company in that direction), and that Her Majesty's Government hoped to receive immediate assurance of their loyal co-operation. It should be made public that no attempt to establish a Republic would be tolerated. At the same time the remark was repeated that it was of great importance to obtain Lo Bengula's consent to such measures as might be deemed necessary for the government of whites in his country.

Nos. 219 and 221.

No. 220.

In a further telegram, dated the 23rd of April, Sir H. Loch expressed a doubt whether Krüger would be able to stop the trek, even if he should risk an attempt to do so by force, as many parties were mustering and the movement had evidently been very thoroughly organised. He stated that he had directed the Bechuanaland Police to watch the Protectorate Frontier, with authority to support the Company's Police should an attempt be made to cross the Limpopo into Banyailand, and he proposed that he be authorised to add 200 men to the force, and that 200 men of the East Yorkshire Regiment be sent to occupy the forts in Bechuanaland, that number of horses being bought for them by the Colonial Government. He was informed by Her Majesty's Government that if the trekkers intended a peaceful settlement they would not be resisted by Imperial troops, that any increase of police would appear to be a matter for the Company, and that no troops should be sent up at present to Bechuanaland, but that the East Yorkshire Regiment might be detained at the Cape if necessary. It was asked whether consideration

No. 242.

No. 254.

had been given to the notion of a peaceful settlement of the trekkers under the Company, on grant of such occupatory or proprietary rights as could be given under existing circumstances. (This was the suggestion made by the London directors of the Company.)

S.A. 403, No. 235. President Krüger showed every disposition to prevent the threatened trek : he summoned the leaders to desist, and issued a strong proclamation. Sir H. Loch

Nos. 268 and 269. had doubts of its effectiveness, and, on the ground that the trekkers might very well enter the Protectorate to gain the northward road, repeated his request for an increase of the Police, urging also that the sending up of troops would strengthen the hands of the President. In response to this renewed

No. 274. request, he was authorised to send up half a battalion if he thought it necessary, and to increase

Nos. 269 and 291. the Police temporarily. Sir H. Loch attributed the action of President Krüger at this time to his knowledge of a conversation held at Cape Town between him, Sir Henry Loch, and the Chief Justice of the South African Republic. This gentleman had given him to understand that he believed all danger of the trek would disappear if a final understanding could be arrived at as to Swaziland. Sir H. Loch observed that this remark was an admission that the President could stop the movement, and hinted that he had better do so. Sir H. Loch asked if he might let Krüger understand that Her Majesty's Government would not refuse to re-open discussion of the Swazi question earlier than had been intended. This he was authorised to do by Her Majesty's Govern-

No. 302. ment, but no more.

The Trek "damped."

No. 321. Half a battalion of the East Yorkshire Regiment

No. 352. was sent up to Mafeking. On a further representation by Sir H. Loch offering some hope of a re-consideration of the Swazi question, the South African Republic Volksraad confirmed the President's proclamation, adding penalties of fine and imprisonment against any taking part in the trek. These measures had a satisfactory effect, and the organisation of the trek in great measure broke up, but it was deemed expedient to retain the troops for some months at

Nos. 379, 395, and 421. Mafeking, as it was expected that small parties might attempt to slip through into Banyailand, Krüger's action having met with opposition. Sir Henry Loch made arrangements that peaceful

No 429. trekkers should be allowed to pass, on their signing a document binding them to accept the laws of the Company, and to settle on such land as should be allotted to them in the neighbourhood of the Company's mining camps. It was held that Lobengula's undertaking to grant no land without the consent of the Rudd concessionaires empowered the Company to defend any occupancy they might sanction against all comers, though it could give no title. Detachments of Police were placed at all drifts where it was likely trekkers could pass the Limpopo. Although by the end of May the trek was con-

No. 435. sidered to be practically dead, Colonel Ferreira, who had been a prominent leader in the move-

ment, maintained his intention of entering the Banyai country, and kept up the fiction that a move in force would be made. His arrest was authorised, should he attempt to cross the frontier. A party of 112 Boers under Ferreira appeared on the Limpopo in June. Ferreira was arrested, the others dispersing. Ferreira was released, on a written promise to give no more trouble. This was the end, for the time being, of the Adendorff Trek. That serious mischief was intended appeared from a letter from Lippert to Ferreira, found on the latter, in which hints were made that the Company's police might be wiped out by Lobengula, and the Matabele then dealt with by the Boers. The anxiety of the late Government in dealing with it was much enhanced by the knowledge that their military expert advisers did not consider that it would be practicable for British regulars to move up to and operate in the theatre of disturbance.

S.A. 414. No. 66. No. 139. No. 173.

In response to the application of a deputation introduced to the High Commissioner by Mr. J. H. Hofmeyr, Sir H. Loch consented to submit to the investigation of a Concessions Court the claims of the Adendorff Committee to hold valid concessions from Banyai Chiefs.

S.A. 426. Nos. 13, 14, 26, 84.

The Order in Council of the 9th May 1891.

In pursuance of the decision arising out of the correspondence and discussions traced above, an Order in Council was passed by the Queen on the 9th of May, and was communicated to the High Commissioner in a despatch of the 15th of that month. It should, however, be stated that Lord Knutsford contemplated that the powers given by the Order were to be regarded as held in reserve, and that until insuperable difficulties arose, it would be well for the Company to endeavour to carry on affairs in Mashonaland under its Charter without more direct interference by the Government than might be absolutely necessary. Accordingly the Chartered Company were informed, in a letter of which a copy was sent to Sir H. Loch with the Order, that it was intended to be used to support the powers granted in the Charter whenever such support should be necessary; that the Company should continue to appoint and remove all executive and administrative officers within its field, but that it might be necessary that the appointment of judicial officers should be made or confirmed by the Crown, through the High Commissioner; that for all ordinary matters the Company should provide by Ordinance under the Charter, but that when necessary such Ordinances could be validated by a legislative proclamation by the High Commissioner. Sir Henry Loch's attention was called to the provision conferring on the courts of Bechuanaland jurisdiction in respect of matters occurring within the limits of the Order, to be exercised in such a manner and to such an extent as the Governor of Bechuanaland should by proclamation direct. It was understood that the Company desired to establish a chief magistrate's court and other magisterial courts in Mashonaland. Whenever the creation of

S.A. 414, Nos. 15 and 16.

new courts in the Bechuanaland Protectorate should become unavoidable it should be effected by proclamation, but no such step should be taken without previous sanction by Her Majesty's Government. The High Commissioner should consider how far it would be necessary to extend the laws of British Bechuanaland to persons or places within the limits of the Order, but should await, before doing so, a further despatch sending copies of correspondence with the Company as to the extension of those laws to the Company's field of operations.

The correspondence referred to above had related to a complete code of law prepared by Sir S. Shippard for the Company and submitted by them to Lord Knutsford. With regard to this code the Company had been informed that the objects for which legislation seemed most urgent were the creation of magistrates' courts and the introduction of some system of law for the punishment of crime and the regulation of civil disputes, and that other proposals in the draft should be embodied in separate Ordinances to be passed by the Company, an implied assent to its dealing with these subjects being thus given.

S.A. 414, No. 20.

Action of Sir H. Loch.

Within a few days of receiving the Order in Council with the accompanying instructions and commentaries, Sir H. Loch reported by telegraph that he had issued a Proclamation (10th June) "establishing jurisdiction and publishing laws "urgently required for the maintenance of peace "and for the preservation of law and order in the "territories comprised in the Order," and proposed to immediately establish the necessary courts, Sir S. Shippard as Resident Commissioner south of latitude 22°, Mr. Surmon Assistant Commissioner and Magistrate, and, north of latitude 22°, certain officers of the British South Africa Company as Resident Commissioners and Magistrates. The explanation of this course of action, which appeared to be premature and contrary to the instructions conveyed with the Order in Council, was given in various despatches setting forth Sir H. Loch's well-known views that it was advisable to establish in one way or another a strong administrative authority directly responsible to the High Commissioner and Her Majesty's Government over the country in the occupation of the Chartered Company. In the view now put forward the *expenses only* of administration should be found by the Company, but the control and responsibility should rest with Her Majesty's representatives. He supported his suggestions by showing that difficulty existed in dealing with certain European concession hunters (Messrs. Renny-Tailyour and Hassforther), and that the establishment of the Queen's authority in the Chartered Company's territories, in preference to government by the Company, would be acceptable to Her Majesty's subjects in that part of South Africa, and that there were other reasons which are indicated in the next paragraph, and which in his opinion rendered his action unavoidable.

No. 26.

No. 38, 39, and 59.

The Reply of Her Majesty's Government.

In answer, it was pointed out that there was now no danger of complications with the Portuguese, a Convention with their Government having been concluded, and the boundaries of jurisdiction having been defined; that the trek having apparently collapsed, the South African Republic was no longer a source of anxiety; and that there was no ground for supposing that Lo Bengula was assuming a hostile attitude; that the principle of controlling these territories through a Company was deliberately adopted for strong reasons of policy, and had been explained to and accepted by Parliament; that it would be difficult if not impossible to justify a change of front: that Her Majesty's Government were therefore not prepared to supersede the administrative provisions of the Charter and to assume fresh financial and political responsibilities, even if the Company were prepared to find funds for an administration which might not always follow out their wishes; that as the Company had been invested by the Charter with administrative powers, and was to enjoy the profits of successful administration, it should also discharge the duties and bear all the responsibilities of government, subject to the control prescribed and hitherto exercised. Sir H. Loch's proposals could therefore not be entertained. Any step which should be taken superseding the Charter and relieving the Company of its principal obligations might make this country liable (in certain contingencies) to take over at any time the government of the countries up to the River Zambesi.

S.A. 414, No. 51.

No. 55.

The Proclamation of the 10th of June.

A copy of the Proclamation reached Lord Knutsford on the 7th of July. So far as it applied to the Bechuanaland Protectorate alone, its provisions were considered unobjectionable. But it provided that within the whole limits of the Order there should be Resident Commissioners, *to be appointed by the High Commissioner, and subject always to his directions and instructions;* each Resident Commissioner *to be Treasurer* of all the territories assigned to him and to *be accountable to the High Commissioner* for all revenue *under rules to be framed by him*; that the High Commissioner should appoint Assistant Commissioners, and Magistrates and Inspectors of police to have jurisdiction as defined by rules issued with the High Commissioner's approval; that officers should be removable by the High Commissioner, &c. &c. &c.

No. 98.

The Proclamation embodied an abbreviated code of laws and regulations much of the kind which it had been desired by Lord Knutsford that the Company should themselves enact by Ordinance.

It further provided that no occupation or concession of rights in land should be valid until approved by the High Commissioner; that no rates, licenses, taxes, or duties should be levied without his approval, and that "no concession or grant *heretofore or* "*hereafter* made by any Native Chief . . . "shall be recognised by any court of law unless

"and until sanctioned and approved by the Secretary
S.A. 414, No. 104. "of State."

When the text of this Instrument had been duly considered, Sir Henry Loch was warned by telegram that the Proclamation was contrary to the intention of Her Majesty's Government, and that he should take no steps thereunder until further instructions had been sent him, except, if necessary, appointing legal officers and bringing courts of law into operation.

Nos. 110, 111, 114, 115, 116. After telegraphic correspondence, in the course of which Sir H. Loch hinted that he might resign if the Proclamation were cancelled or practically withdrawn, and protested against any modification, except of the clause making the Commissioners financial accountants to the High Commissioner, and after
No. 125. receipt of a further despatch from him reinforcing his telegraphic representations, he was informed on
No. 128. behalf of Her Majesty's Government that they much regretted the issue of the Proclamation as contrary to their intentions and decisions, but that in order to avoid weakening his authority no immediate steps need be taken for its cancellation or withdrawal; but that when the British South Africa Company should have made the necessary Ordinances a further Proclamation should be issued stating that as such Ordinances had been made the enactments of the Proclamation of the 10th June, *except as regarded its judicial provisions*, were no longer required in respect of the Company's territory, and were therefore limited thenceforth to the Bechuanaland Protectorate. This decision was in effect a compromise between the views of Her Majesty's Government and those of Sir Henry Loch, for the Proclamation was allowed to stand "in its judicial provisions," which expression included the enactment of a code of substantive law—the latter being a matter which Lord Knutsford had been willing to leave to the Company.

The appointment of Resident Commissioner in Mashonaland must, if it had been made, be cancelled, but Mr. Colquhoun might be appointed Chief Magistrate.

Partial Supersession of the Proclamation.

No. 77. No. 157 Ordinances providing for the maintenance and discipline of Police, and regulating trading and the delivery of firearms, coinage, and weights and measures having been passed by the Company at the request of Lord Knutsford were sent out, with a draft Proclamation restricting the operation of the former Proclamation to the Protectorate (excluding the "disputed territory"), but continuing in force throughout their original scope the provisions relating to the administration of justice, the solemnisation of marriage, the occupation and ownership of land, and the validation of concessions and grants (clauses 3, 4, 8 to 22, 43 and 45).

Nos. 183, and 185. No. 250. No. 255. After a slight delay, on account of the suspicious attitude of Lo Bengula, who, however, ultimately admitted the High Commissioner's right to deal with Europeans even at Buluwayo, the new Proclamation was issued, and this somewhat critical and harassing incident was closed.

The "Lippert Concession" and the Land Settlement of Mashonaland.

In a lengthy despatch of the 21st July, Sir Henry Loch, in the course of explanations and justifications of his Proclamation, laid especial stress on his reasons for such precipitate action, and for the insertion of the clauses regulating land settlement, taxation, trekking, and concessions. He had learnt that extensive concessions had been got by Messrs. Lippert and Rennie Tailyour, on the strength of which invitations to Free State and Transvaal Boers were being issued, which seemed likely to meet with an immediate response "from thousands of trekkers," and that this third trek movement the Government of the Republic would be powerless to stop. S.A.414, No. 173.

He claimed that his Proclamation had stopped this movement, as it implied that Her Majesty's Government would take cognizance of and resist any such proceeding, and that no immediate lawful provision could have been made by the Company for meeting the requirements of the situation, either in regard to the threatened trek, or to the maintenance of order among their increasing population of adventurers.

The popularity of the proposals for treks to the northward and the strenuous resistance which had been offered to these movements by the Chartered Company and the High Commissioner appear to have suggested to E. Lippert, the German financier operating in the South Africa Republic, or to his agent, Mr. Renny Tailyour, the idea of obtaining a *bonâ fide* land concession from Lo Bengula, with a view to blackmailing the Chartered Company under threat of promoting a trek of less questionable legitimacy. If Lo Bengula could be induced to grant such a concession, it would obviously be dangerous for the Company to take measures to prevent its exploitation. It is true that by a clause in the Rudd Concession the King had undertaken not to grant any further concessions of land or mining rights without the consent and concurrence of the concessionaires, and moreover authorised them to exclude from his dominions any persons seeking land, metals, minerals, or mining rights therein; but if these obstacles could be circumvented, by appealing to Lo Bengula's kingly prerogative, his co-operation might be counted on to back up his new concessionaires.

Mr. Renny Tailyour succeeded in carrying this idea into execution; and by representing to Lo Bengula that the Chartered Company were claiming to have rights other than those granted in the Rudd Concession (a representation for which there was some foundation, as Mr. Rhodes had been sapping the Adendorff trek by offering "certificates of occupation" to *bonâ fide* settlers) induced the King to grant him, by a concession dated the 22nd April, 1891, "the sole
"and exclusive right and privilege for the full term No. 11.
"of one hundred years, to lay out, grant, or lease
". . . farms. townships, building plots, and
"grazing areas; to impose and levy rents, licences,
"and taxes; to get in, collect, and receive the same;
"to give and *grant certificates in my name for the*

" *occupation* of any farms, townships, building plots, " and grazing areas; to establish and to grant " licences for the establishment of banks; to issue " bank notes, to establish a mint, and to do every- " thing connected with banking and minting; to " commence and prosecute, and also to defend in " any competent court in Africa, Europe, or else- " where, either in my name or in his own name, all " such actions, suits, and other proceedings as he " may deem necessary for establishing, maintaining, " or defending the said rights, powers, and privileges, " or any of them. . . ." The concession was to apply only to the sphere of operations of the Chartered Company, and was not to interfere with " the grazing of such cattle, the enclosing of such " land, and the erection of such buildings and " machinery, as are strictly required for the exercise " of the mineral rights now held by the Company " under the (Rudd) Concession."

Armed with this concession, Mr. Lippert demanded 250,000*l.* of the British South Africa Company. Sir H. Loch, in a despatch dated 3rd June 1891, after ascertaining that in the opinion of Mr. Schreiner (his legal adviser), the new concession might to some extent be regarded as valid, proposed to forestal further operations of this kind, and presumably to supersede this particular concession, by " annexation, or some system involving " virtual annexation " (of Lo Bengula's dominions within the Chartered Company's sphere of operations) " and the control of the land settlement," and he enlarged on the recommendations made in a former despatch dated 25th May, repeating his opinion that " no system of government will suffice " except one that, in Her Majesty's name, can " exercise sovereign rights over the country, and " possesses power to deal with the land and all " other questions, preserving at the same time to " the Company its full commercial rights." He added that Mr. Rhodes was in entire accord with his views on this subject.

S.A.No. 414, No. 83.

No. 30.

No. 41.

On the 24th of June the Chartered Company wrote to the Colonial Office requesting that the High Commissioner might be instructed under the Order in Council of the 9th May to proclaim a land settlement of that portion of the territory under the protection of the Queen which was in the possession of the British South Africa Company. They were informed in reply, as was Sir H. Loch by telegraph, that it was not in Lord Knutsford's power to comply with this request. They were told that until some further understanding should have been come to with Lo Bengula in regard to the occupation of his territory for other purposes than mining it was important that Her Majesty's Government should not direct the High Commissioner to take any step purporting to be an assumption of jurisdiction over the lands. But Sir H. Loch was informed that the Lippert Concession appeared to be inconsistent with Lo Bengula's undertaking in the Rudd Concession to grant no concession of land without the consent of the holders

No. 56.

No. 57.

No. 79.

thereof, and was also in conflict with the powers conferred on the Company and the High Commissioner respectively by the Charter and by the Order in Council of the 9th of May.

[Mr. Lippert claimed that his concession escaped these objections in that it purported to retain the ownership of the land to Lo Bengula, and that it was prior in date to the Order in Council.]

In reply to these communications, Sir H. Loch on the 8th of July wrote to Lord Knutsford proposing to apply to Lo Bengula for a grant to the Crown or to the Chartered Company of the right to administer a land settlement in his dominions. Lord Knutsford gave a qualified assent to this, expressing the strong preference of Her Majesty's Government that any such grant should be made to the Company.

S.A. 414, No. 152.

No. 188.

Meanwhile Sir H. Loch had telegraphed (30th May) to Sir F. Carrington that he considered Mr. Renny-Tailyour's presence in Matabeleland dangerous to the peace of the country, and directed him to instruct the Bechuanaland Border Police and the British South Africa Company's Police not to permit his return to Matabeleland (Mr. Tailyour was at the moment in Swaziland). Sir H. Loch considered himself justified in this action by a communication subsequently received from the Company, from which it appeared that Lippert was threatening to proceed at once with selling titles to farms, announcing that he took no account of the High Commissioner's Proclamation, and that the British Government would have to recognise his concession. In transmitting this communication to Lord Knutsford, Sir H. Loch stated that he was issuing a warrant for Tailyour's expulsion under a Proclamation of 30th June, by which he had taken power to deal with persons dangerous to the peace. Mr. Tailyour had previously addressed to the High Commissioner a protest against the order for his exclusion from Matabeleland, on which Mr. Schreiner (on the 12th June) advised that he could not legally be excluded, on the ground that, by a clause of the Order in Council (which was shortly afterwards repealed), the High Commissioner's Proclamations did not take effect for one month after their promulgation, and recommended temporising correspondence. Sir H. Loch, however, directed Sir F. Carrington to act on his previous instructions, and on the 22nd June Mr. Tailyour, on crossing the border into Khama's country, was there arrested by the Bechuanaland Border Police, but escaped and returned to Pretoria. On 18th July the Administrator of Bechuanaland reported that Mr. Tailyour had again crossed into Khama's country. He was instructed to apply to Khama for a warrant, which was issued. On the 25th July Tailyour and his companion Van der Linden were arrested at Tati (outside the Protectorate and Khama's country), and were conducted to the boundary of the South African Republic. Mr. Tailyour thereon claimed 250,000*l.* damages against all concerned in his arrest. In the course of the ensuing seven weeks, however, it appears that Mr. Rhodes had concluded that it was best to make terms with Lippert, and on the 10th of September he asked that Mr. Tailyour or

No. 89.

No. 147.

No. 172A.

Nos. 181A and 201.

No. 209.

No. 239.

Mr. Lippert or any of their agents might be allowed to return to Buluwayo. This permission was given on their undertaking to abstain from political intrigue; and Sir H. Loch notified Lo Bengula to this effect by letter. Mr. Rhodes explained that he had given Mr. Rudd authority to negotiate with Lippert for the purchase of the concession, subject to the condition of its ratification by Lo Bengula and Her Majesty's Government.

S.A. 414, No. 240.

Messrs. Lippert and Tailyour proceeded to Buluwayo, and obtained from Lo Bengula a further concession, dated 17th November 1891, and certified by Mr. Moffat, which repeated the grant (to Lippert) of the rights granted to Tailyour in the concession of 22nd April 1891, so far as all dealings with land were concerned (but which omitted any reference to the grants of banking and minting rights, and of the legal powers for the exercise and defence of those rights), and withdrew and cancelled the previous concession so far as it might be in conflict with the later concession. Sir H. Loch transmitted a copy of this document to Lord Knutsford on the 16th of December, and requested his Lordship's approval by cable. On receipt of this despatch the Chartered Company were informed that the Secretary of State hesitated to sanction the concession unless binding terms had been arranged with Lippert as to its transfer to the Company, and they were requested to inform the Secretary of State as to the precise state of the negotiations with him.

S.A. 426, No. 9.

No. 17.

No. 22.

The reply of the Company showed that Lippert had conveyed the concession of the 22nd April to Rudd for 5,000*l.* cash, and the ratifying concession of the 17th November for—

(i.) 5,000*l.* in cash;
(ii.) Refund of 1,000*l.* paid to Lo Bengula under the first concession;
(iii.) 1,630*l.* for travelling expenses;
(iv.) 30,000 fully paid shares in the Chartered Company;
(v.) 20,000 fully paid shares in the United Concessions Company;

No. 27.

The Company were then informed that Lord Knutsford approved of their acquiring the two concessions, but desired to be furnished with a copy of the instrument by which Mr. Rudd (Lippert's transferee) made them over to the Company.

No. 51.

After some delay a copy of the transfer by Mr. Rudd to the Company of the Concession of 17th of November reached the Secretary of State from the High Commissioner, and Lord Knutsford approved this Concession, and also its transfer to the Company, on the express condition and reservation that the Company should not assign it, or transfer any share in the profits arising out of it, to any person or body politic or corporate without the previous knowledge and sanction of the Secretary of State. This condition was suggested by the disclosure of the relations above referred to between the United Concessions Company and the Chartered Company, whereby the United Concessions Company are entitled to receive half the net profits of the Chartered Company's operations.

No. 56.

Connexions of the Chartered Company beyond the Zambesi.

The preliminary dispositions of the Company for the foundation of their dominion in South Africa had not been confined to Mashonaland and its eastern borders It was at one time contemplated that they should absorb the "African Lakes Company." This arrangement has not been carried through, as the Lakes Company has resisted the endeavours of the Chartered Company to force it into liquidation, but the Chartered Company subscribed 20,000*l.* towards its support in exchange for new shares, and undertook to contribute 9,000*l.* a year (now increased to 10,000*l.*) towards the expenses of Mr. H. H. Johnston's administration of the Lake Company's territory. In the Barotse country, a concession was obtained from the Chief Lewanika, at an expense of some 25,000*l.* Mr. Johnston, Imperial Commissioner, besides acting as Administrator for Nyassaland, is nominally charged with the conduct of our affairs with Lewanika; but the recent difficulties and responsibilities of his own province have prevented his paying attention to that Chief; and rivals of the Company are now trying to get concessions from him, and he complains that he is neglected and ignored. The Company have not yet submitted their concession from Lewanika for the approval of its acquisition by them, and are not, in fact, taking any steps to consolidate their position in the Barotse country.

Operations connected with Mashonaland.

The Company, since the date of the Pioneer Expedition, has completed the telegraph to Fort Salisbury, has improved the Pioneer Road and made other roads between its most important stations. The Police force, which at one time numbered 650 men, has been practically disbanded, and its place has been taken by a Volunteer force enrolled under the title of "The Mashonaland Horse," having centres in various districts, which is liable to service on emergency for the maintenance of order and security. A Burgher force is also being organised under Field Cornets, for the regulation of which the Company is understood to be preparing an Ordinance. The Company's officers have not quite escaped the temptation to give "lessons" to Native Chiefs and villages who have proved recalcitrant in surrendering offenders and suspects, and the Secretary of State has had on more than one occasion to caution them against cruel and illegal violence in such proceedings.

S.A. 426. Nos. 84 and 67.

The main energies of the settlers have been devoted to prospecting and mining for gold, and the Company's servants have been fully occupied in attending to the establishment of goldfields, and to providing for food-supply, &c. During the first rainy season there was some risk of starvation among the immigrants, and the closing of the Beira route brought enormous expense on the Company for food-supply. They made costly provision against a recurrence of this difficulty. In spite of strenuous efforts and large expenditure and guarantees the Company have not yet succeeded in getting the railway from the coast to the Manica Plateau, for the construction of which the Mozambique Company hold the concession, the dates of its commencement and completion

having been repeatedly postponed. It is, however, understood that the concessionaires have now raised a capital of 150,000*l.* for the line, and that the first shipments of rails have been made. Upon this route the Company must rely for access to their gold fields in Mashonaland, the Protectorate route, with or without a railway, involving, by its length, an expense which must be prohibitive of profitable development from that direction. The other achievements of the Company are recorded in their last year's report, or will be enlarged on at their next general meeting. Their necessary retrenchments of expenditure have led to their discontinuing the provision for Mr. Moffat's residence at Buluwayo, and he has now returned to his old office in the Protectorate.

The capital of 1,000,000*l.* with which they commenced operations must, according to their admitted or calculable expenditure, be now exhausted, and they are at present understood to be continuing their work with money borrowed or advanced by individuals largely interested. After careful examination of the various reputed gold fields in their country, it appears that the Victoria Gold Field is the richest, and that their best hope of early returns for their outlay may be looked for in that district.

Umtassa and Gungunhana.

The further history of the relations of the Company with these two Chiefs (see pp. 17, 19 of this memorandum) may be briefly summarised. The concession obtained from Umtassa was submitted to the Secretary of State on the 29th of January 1892 for confirmation, and his approval of its acquisition by the Company was granted, with the assent of Lord Salisbury, on the conditions that no monopoly of trade should be set up or granted under it, and that it was to be taken as applying only within the limits falling on the British side of the Anglo-Portuguese boundary as demarcated by the Boundary Commission.

S.A. 426, Nos. 23, 39, 46, 60.

A complaint has now reached us from Umtassa that he has been attacked by the Company's police, and Major Leverson, the English member of the Anglo-Portuguese Boundary Commission, has been asked to inquire into the allegation.

No. 219.

No. 254.

The concession granted by Gungunhana to Dr. Schultz, dated 4th October 1890, which conveyed large administrative and other rights over his whole country (including the coast, the claim of Portugal to which had been recognised by old Treaties, was a source of justifiable annoyance to the Portuguese and to Her Majesty's Government, who disclaimed any countenance of the Company's proceedings. The Company's excuse is understood to have been that they believed, as did Sir Henry Loch, that their endeavours had the tacit consent of Her Majesty's Government. In the summer of 1891 Mr. Doyle, on behalf of the Company, brought to England two envoys from Gungunhana (though Her Majesty's Government had, as previously noted, refused to sanction such a proceeding when proposed by Sir Henry Loch), and although Her Majesty's Ministers did not discuss business with them, they were permitted

S.A. 403, Nos. 87, 295, 311, and 333.

to see the Queen, and were made the subject of some notice in the newspapers. They were understood to be empowered by Gungunhana to apply for Her Majesty's protection; but this was declined on the ground of established relations with Portugal. They were, however, doubtless encouraged, by their reception, to believe that Great Britain would be glad of Gungunhana's alliance if he could prove himself independent of Portugal. Mr. Doyle, on his return with the envoys, obtained from Gungunhana a land concession, dated 15th November 1891, covering the whole of his territories. This concession and that of 1890 were submitted for the Secretary of State's approval on 29th of January 1892, and the question has formed the subject of considerable discussion between this Department and the Foreign Office. In the result the concession of 1890 has been altogether set aside. The question of approving that of 1891 on conditions similar to those made in the case of the Umtassa concession, viz., that there should be no monopoly, and that the approval should only extend to the operation of the concession within the British sphere, is still under consideration, Lord Ripon having renewed a recommendation unsuccessfully made by Lord Knutsford to the Foreign Office, that this course should be taken.

S.A. 426, No. 21.

No. 230.

No. 269.

Claims in the Disputed Territory.

By the High Commissioner's Proclamations of the 10th June and 4th September 1891 the "Disputed Territory" had been left for judicial purposes under the authority of the High Commissioner, but for administrative and revenue purposes had been excluded from the operation both of the Proclamation of 10th June and of the Ordinances of the British South Africa Company. This exclusion was in consonance with the fact that the sphere of the Company's "active operations" begins at the Shashi (*alias* Tuli) River, and that no operations for the development of the disputed territory have as yet been permitted, so that it was not thought necessary to provide any machinery of administration. Early in 1890 arrangements were initiated for the consolidation of the interests in this Territory by the formation of a Company with a nominal capital of 500,000*l.*, to be held in equal shares by the Bechuanaland Exploration Company, the Wood-Francis-Chapman Syndicate, the Exploring Company, and the Central Search Association. The two first-named bodies had an interest through their concessions from Khama and Lo Bengula respectively. The two latter claimed to have established inchoate interests by their negotiations with Lo Bengula. The working capital was to be provided by the British South Africa Company, who were to work the territory and take half the profits. This arrangement has never been carried out, owing apparently to the refusal of the Secretary of State hitherto to permit any operations in the country.

S.A. 403, Nos. 90, 96, 99, 102, 110, and 111.

(The Wood-Francis-Chapman Concession, it may be observed, is one the valid existence of which is open to question. It is doubtful whether the agreed consideration has been paid within the specified period.

S.A. 414, No. 275.

Moreover it purports to grant inadmissible *exclusive* rights, *e.g.*, "the exclusive right *to all water*" within the prescribed area.)

S A. 426. Nos. 116, 123, 191, 201, 210.

Authority has recently been given to Sir H. Loch to include the "Disputed Territory" and the Tati District within his administrative sphere. In giving this authority Her Majesty's Government were influenced by the fact that otherwise the arms and liquor traffic (with regard to which they were under international obligations) could be under no effective control. The authority was given also on the understanding that the susceptibilities of neither Khama nor Lo Bengula would be aroused. In these circumstances it is possible that the prohibition of operations in the "Disputed Territory" may shortly be withdrawn.

Developments in Khama's Country and the Protectorate.

No. 9A.

In January 1892 the Bechuanaland Exploration asked leave to acquire a concession offered them by Khama of the mineral rights over all his territory. (Their original concession was limited to 400 square miles.) This question was referred to Sir H. Loch.

No. 33.

This despatch crossed one from Sir H. Loch discussing proposals for raising revenue in the Protectorate, and proposing the annexation of a large portion of Khama's country, by means of a grant from the Chief such as he had offered to Sir C. Warren in 1885, and of certain lands under the

No. 41.

southern Chiefs. In a subsequent despatch he pointed out that the approval of the proposed concession from Khama to the Bechuanaland Exploration Company, so far as concerned the area proposed to be acquired by the Crown, would be objectionable, but that the concession might be considered as regarded the rest of Khama's kingdom, subject to the question whether a revenue from minerals should not be reserved to the Protectorate Government.

Lord Knutsford refused to entertain the proposal

No. 73.

to obtain a land grant from Khama, or from any of the Chiefs of the Protectorate, and the Bechuanaland

Nos. 90, 100, 146, 167.

Company were informed that Her Majesty's Government would be willing to approve a further concession from Khama to the Company on the understanding that mining revenue would before long be exacted from those engaged in the Protectorate in return for the protection given them. Sir H. Loch would be asked to report the maximum area over which a grant of mining rights to the Company should be approved.

The consent to approve the concession of wider rights to the Bechuanaland Exploration Company and the report that their prospectors had found gold in Khama's territory, west and north-west of Tati, appears to have aroused Mr. Rhodes to apprehension that the dormant rights of the Chartered Company were in danger of infringement. He wrote while in England to Lord Knutsford, asking him to "bear

No. 118.

"in mind that Khama's territory practically does "not extend north of the 22nd degree of latitude, "and that the territory situated between that

" latitude and the Zambesi will, on inquiry, prove " to be under the control of Lo Bengula." The Bechuanaland Exploration Company, hearing of this, sent letters and memoranda to show Khama's claims to the country right up to the Zambesi. A good deal of correspondence has passed on the subject, and the Bechuanaland Exploration Company seem to have the best of the argument, but it was obviously very undesirable that any attempt should be made to define the boundary between Khama and Lo Bengula, and it was therefore suggested that the Companies should endeavour to come to an amicable agreement as to their respective rights. This the Bechuanaland Exploration Company appeared ready to do, but the Chartered Company are hanging back, apparently in the hope of getting Khama's Concession of 1887 declared invalid beyond the 22nd parallel of latitude, which was the boundary of the Protectorate at the time it was granted. The matter thus stands over for further discussion. It may be observed that the action of the Chartered Company in this matter is only that of a section, doubtless the majority, of the Directorate, two of the directors of the Chartered Company, Lord Gifford and Mr. Cawston, being the leading directors of the Bechuanaland Exploration Company. In fact, the quarrel looks like an undoing of the "Union of Interests" effected in 1889.

S.A. 426, No. 139.
Nos. 173 & 174.
No. 181.
No. 190.

The "Concession Court."

The establishment of a "Concession Court" has formed the subject of a good deal of recent correspondence. The Chartered Company holds (or at all events Mr. Rhodes holds) that all concessions granted subsequent to the charter are *ipso facto* invalid. There is nothing in the Charter to justify this view, but, as a matter of fact, the High Commissioner, acting on a confidential despatch of 3rd January 1890, which was written with a different purpose, has refrained since its date from recognising concessions in the Protectorate. When it was found that there was no probability of the Company being soon in a position to undertake the development of the Protectorate, and that the continued refusal to recognise concessions was becoming a cause of discontent and danger, it was decided to create a commission for the purpose of assisting the High Commissioner and Her Majesty's Government to determine what concessions from Native Chiefs in the Protectorate deserved and might safely receive recognition.

S.A. 372. No. 208.
S.A. 414. No. 214.

Mr. Rhodes raised objections generally to this Concessions Court, and, with a view of meeting his wishes, Sir H. Loch proposed certain additional instructions to the Commission, the effect of which would be to give the Chartered Company a right of pre-emption of all concessions granted since the date of the charter. Lord Knutsford demurred to approving these additional instructions, but consented to a postponement of the inquiry until Mr. Rhodes had had an opportunity of bringing forward practical suggestions for the development of the Protec-

S.A. 426. No. 172.
No. 180.
No. 212.

torate. This question, with which of course the dispute between the Chartered Company and the Bechuanaland Exploration Company is intimately connected, is to be discussed with Sir H. Loch on his approaching visit to this country.

The Bechuanaland Railway.

It seems rather hard on the Imperial Government hat they should be expected to guarantee interest on the cost of a "developmental" railway in the Bechuanaland Protectorate (as will be explained immediately), and that the Chartered Company should demand that the Protectorate be locked up indefinitely from development by other agencies, thus depriving the railway of its prospects, if any, of becoming self-supporting.

It will be remembered that the inchoate scheme of the Exploring Company for the extension of the Cape Railway from Kimberley, was taken over by the Chartered Company on its formation. Immediately after the grant of the Charter, it was arranged that the British South Africa Company should build the line from Kimberley to Vryburg in consideration of a land grant of 6,000 square miles in British Bechuanaland, and should extend it from Vryburg to Mafeking for a second similar grant. For the completion of the first-mentioned section something like a million sterling was required, and the Company's capital being only 1,000,000*l.*, and the money being needed for other purposes, they could not hope to obtain the additional funds unless and until Mashonaland should prove to contain extraordinary deposits of gold. Mr. Rhodes, however, effected an agreement with Sir Gordon Sprigg, then Prime Minister of the Cape, by which the Cape Colony undertook to advance the money for the Vryburg section on condition that Mr. Rhodes bound the Company, if called on by the Cape, to build the second section (up to Mafeking) which was estimated to cost 650,000*l.* The Cape received as consideration 4,000 square miles out of the first 6,000 land grant without reservation of mineral rights to the Crown, leaving 2,000 square miles to go with the further 6,000 towards the cost of the Mafeking extension. The line was completed to Vryburg on the 3rd December 1890, and has since been taken over by the Cape, the debt due to the Cape being thus extinguished.

The further extension has been postponed, as the Company has had no money to spare from the development of its estates in the north. Sir H. Loch, anxious to develop the Protectorate, submitted this year proposals for a light railway to be run from Vryburg to Macloutsie (or Palapye). He urged that, on the ground of the Imperial advantage, the Treasury should guarantee 20,000*l.* yearly interest on the cost for ten years, representing that the expenditure on Police would be reduced, and that revenue from the Protectorate would perhaps be obtainable to at least this amount if the railway were constructed. He anticipated that a further 10,000*l.* a year would be guaranteed by the British South Africa Company and the Tati Company combined. A company could be formed, he reported, to build the proposed light railway on these terms, and on the

further condition of receiving the balance of land held by or promised to the Chartered Company under the Railway agreements of 1890. Her Majesty's late Government refused to commit themselves to the proposal that a subsidy should be granted, but authorised a running survey to be made by the officers of the Police without extra expense, to form a basis for consideration of the question. Anxiety was evinced last June by Sir H. Loch that the scheme should be approved, as pressure was being put on Mr. Rhodes, as Prime Minister at the Cape, to call on the Chartered Company, of which he was managing director, to complete the Mafeking extension. It was, of course, not certain that the Cape Government could properly be satisfied with a break of gauge at Vryburg. The question has been suspended for a time, and it can hardly be said that it is even now ripe for discussion when Sir H. Loch and Mr. Rhodes are in England, because, owing to our inability to obtain the services of an officer of Royal Engineers from the War Office, the survey has not been made.

S. O.

Downing Street,
13th October 1892.

APPENDIX.

LORD KNUTSFORD to SIR H. B. LOCH.

Downing Street,
SIR, November 14, 1889.

As you are already aware, the petition some time ago presented to Her Majesty by the Duke of Abercorn, the Duke of Fife, Lord Gifford, Mr. C. J. Rhodes, Mr. Albert Grey, Mr. Alfred Beit, and Mr. George Cawston, praying for the grant to them of a charter, has been complied with, and the Queen has given direction for the incorporation of their Company by Her Majesty's Letters Patent under the name of the "British South Africa Company," of which the principal field of operation will be in the territories north of Bechuanaland, and west of Portuguese East Africa.

2. I need not here recapitulate in detail the objects which the petitioners stated that they had in view, or the powers conferred and restrictions imposed by the Charter, all of which you will find in the draft Charter annexed to the Order in Council whereof copies are transmitted herewith; but it may be convenient to refer to some of its leading provisions.

3. The Charter is framed in accordance with the precedents, so far as they are applicable, of the British North Borneo Company's, the Royal Niger Company's, and the British Imperial East Africa Company's charters, and in the first clause the principal field of the Company's operations has been defined somewhat more precisely than in the petition, and is declared to include the region of South Africa lying immediately to the north of British Bechuanaland, and to the north and west of the South African Republic, and to the west of the Portuguse Dominions.

4. It is to be observed that this definition does not supersede or affect the protectorate of Her Majesty over the country north of British Bechuanaland, and south of the 22nd parallel of south latitude although the Company is empowered to acquire (subject to the approval of the Secretary of State) from the lawful rulers, either within or beyond that Protectorate, certain powers of Government or administration whereby it is anticipated that hereafter Her Majesty's Government may be much assisted in the control and protection of the territories lying within the present British Protectorate.

5. The Company is further authorised to have the benefit of, and to carry out, such valid concessions as it has already acquired, or may acquire; and you will perceive that in the scond clause, besides a general recognition of any other valid and subsisting concessions or agreements, a special restriction has been inserted as to the Tati District, the holders of what is called the Tati concession

having made a request, which appeared to Her Majesty's Government to be well founded, and in accordance with the concession granted by Lo Bengula to Mr. Rudd and others, for the insertion of words saving their claims, and excluding them from the operations of the chartered Company. In the 20th clause further provisions will be found safeguarding the interests of persons lawfully and peacefully carrying on business in the Tati District.

6. Clauses 3 and 4 are those to which I referred in para. 4 of this dispatch as empowering the Company, subject to the approval of the Secretary of State, to acquire further authorities and powers, including powers of government and administration either within or beyond the territories affected by the concessions or agreements recognised by the Charter, and clause 6, following the precedents of previous chartered companies, provides that the Company shall be British in character, and that its directors and principal representative shall be natural-born British subjects, but an exception is made in favour of any director nominated in the Charter itself (Mr. Alfred Beit not being a British subject), and of any alien director whose future election may be approved by the Secretary of State.

7. Clauses 8, 9, and 15, secure to the Secretary of State the power of restraining the acts of the Company if they should appear to him inimical to public interests, and clause 10 enables the Company to enact ordinances, and to maintain a police force by the Company. Provision is made in clause 11 for the discouragement and, so far as practicable, the abolition of slave trade or domestic servitude, and in clause 12 for the regulation of the liquor traffic, and, as far as practicable, for the prevention of the sale of liquor to Natives within the Company's territories. Under clause 13 the Company is bound not to interfere with the religions of the Natives, except so far as may be necessary in the interests of humanity, and under clause 14 it is required in the administration of justice to have regard to Native customs and laws.

8. You will observe in clause 18 of the draft Charter that the Company's officers are to communicate freely with the High Commissioner and with Her Majesty's officers stationed in their territories, and it will be desirable that you should consider, in conjunction with Mr. Rhodes, what rules should be framed in accordance with this clause of the Charter for the conduct of the correspondence in question. These rules, when drafted, should be sent home for my consideration, and will be communicated by me, with such modifications, if any, as may seem desirable, to the Company for its guidance. In the mean time I request that you will give such instructions as may ensure that representatives of the Company shall receive all proper support and assistance from Her Majesty's officers in British Bechuanaland and the Protectorate.

9. I desire to call your special attention to clauses 33, 34, and 35, relating to the powers reserved by the Crown in the future over the rights of the Company and the Charter itself.

Clause 33 provides that at the end of the first 25 years, and at the end of every subsequent period of 10 years, the Crown shall have the right of repealing or varying any of those provisions of the Charter which relate to administrative and public matters. Clause 34 saves in terms the rights of the Crown to declare protectorates over or to annex any territory, and clause 35 reserves the right to revoke the Charter at any time in case it shall appear to the Crown that the Company is not acting in conformity with the Charter, or it is not promoting the objects which its promoters profess to have in view.

The last of these clauses is taken from previous charters, but the principle of the 33rd clause, which is obviously of much importance, has not, I believe, been adopted in previous cases. It precludes any objection which might otherwise be made that the grant of a charter locks up indefinitely a large portion of South Africa in the hands of a commercial association.

The Queen can, of course, at any time annex or declare a protectorate over any part of the territory within which the Company operates, and in the absence of any paramount necessity for such annexation or protectorate, or of the failure or misconduct of the Company, security of tenure is granted to the Company for the limited time of 25 years, which is deemed by Her Majesty's Government the shortest period within which the Company can be expected to develop and perfect the public part of its enterprise; whilst there is reserved to the Government of the day at the end of that time, and at every succeeding period of 10 years, the right of considering, in the interests of the Empire generally, and of South Africa in particular, how far the administrative and public powers of the Company should be continued.

10. I request that you will communicate Her Majesty's Order in Council and this despatch to your Ministers, expressing to them the hope of Her Majesty's Government that the experiment which is now being tried is one the success of which they will be disposed to advance by all proper means, as affording, perhaps, the best prospect of developing the interior of South Africa in a manner advantageous to all interests.

It is desirable that the Charter should be published in the Cape Government Gazette, and you will give instructions for its publication, at such time as you may see fit, in the Bechuanaland Government Gazette. I shall be obliged by your considering also the propriety of communicating the Charter at an early date to the Government of the two Republics.

I have, &c.
(Signed) KNUTSFORD.

Sir H. B. Loch.

Enclosure.

At the Court at Balmoral, the 15th day of October 1889.

Present:

THE QUEEN'S MOST EXCELLENT MAJESTY IN COUNCIL.

WHEREAS there was this day read at the Board a Report of a Committee of the Lords of Her Majesty's Most Honourable Privy Council, dated the 14th day of October 1889, in the words following, viz.:—

"Your Majesty having been pleased by your Order of the 23rd day of July 1889, to refer unto this Committee a petition of the Most Noble the Duke of Abercorn and others, praying for the grant of a Charter of Incorporation by the name or title of the 'British South Africa Company': THE LORDS OF THE COMMITTEE, in obedience to your Majesty's said Order of Reference, have this day taken the said Petition into consideration, and do humbly agree to report, as their opinion, to your Majesty that a Charter may be granted by your Majesty in terms of the Draft hereunto annexed."

HER MAJESTY, having taken into consideration the said Report, and the draft Charter accompanying it, was pleased, by and with the advice of Her Privy Council, to approve thereof, and to order, as it is hereby ordered, that the Right Honourable Henry Matthews, one of Her Majesty's Principal Secretaries of State, do cause a Warrant to be prepared for Her Majesty's royal signature for passing under the Great Seal of the United Kingdom a charter in conformity with the said Draft which is hereunto annexed.

C. L. PEEL.

VICTORIA by the Grace of God, of the United Kingdom of Great Britain and Ireland Queen, Defender of the Faith.

To all to whom these presents shall come, Greeting:

Whereas a humble petition has been presented to Us in Our Council by the Most Noble James Duke of Abercorn, Companion of the Most Honourable Order of the Bath; the Most Noble Alexander William George Duke of Fife, Knight of the Most Ancient and Most Noble Order of the Thistle, Privy Councillor; the Right Honourable Edric Frederick Lord Gifford, V.C.; Cecil John Rhodes, of Kimberley, in the Cape Colony, Member of the Executive Council and of the House of Assembly of the Colony of the Cape of Good Hope; Alfred Beit, of 29, Holborn Viaduct, London, Merchant; Albert Henry George Grey, of Howick, Northumberland, Esquire; and George Cawston, of 18, Lennox Gardens, London, Esquire, Barrister-at-law.

And whereas the said Petition states amongst other things :—

That the Petitioners and others are associated, for the purpose of forming a Company or Association, to be incorporated, if to Us should seem fit, for the objects in the said Petition set forth under the corporate name of The British South Africa Company.

That the existence of a powerful British Company, controlled by those of Our subjects in whom We have confidence, and having its principal field of operations in that region of South Africa lying to the north of Bechuanaland and to the west of Portuguese East Africa, would be advantageous to the commercial and other interests of Our subjects in the United Kingdom and in Our Colonies.

That the Petitioners desire to carry into effect divers concessions and agreements which have been made by certain of the Chiefs and tribes inhabiting the said region, and such other concessions, agreements, grants and treaties as the Petitioners may hereafter obtain within the said region or elsewhere in Africa, with the view of promoting trade, commerce, civilisation, and good government (including the regulation of liquor traffic with the Natives) in the territories which are or may be comprised or referred to in such concessions, agreements, grants, and treaties as aforesaid.

That the Petitioners believe that if the said concessions, agreements, grants, and treaties can be carried into effect, the condition of the Natives inhabiting the said territories will be materially improved, and their civilisation advanced, and an organisation established which will tend to the suppression of the slave trade in the said territories, and to the opening up of the said territories, to the immigration of Europeans, and to the lawful trade and commerce of Our subjects and of other nations.

That the success of the enterprise in which the Petitioners are engaged would be greatly advanced if it should seem fit to Us to grant them Our Royal Charter of incorporation as a British Company under the said name or title, or such other name or title, and with such powers, as to Us may seem fit for the purpose of more effectually carrying into effect the objects aforesaid.

That large sums of money have been subscribed for the purposes of the intended Company by the Petitioners and others, who are prepared also to subscribe or to procure such further sums as may hereafter be found requisite for the development of the said enterprise, in the event of Our being pleased to grant to them Our Royal Charter of incorporation as aforesaid.

Now, therefore, We, having taken the said Petition into Our Royal consideration in Our Council, and being satisfied that the intentions of the Petitioners

are praiseworthy and deserve encouragement, and that the enterprise in the petition described may be productive of the benefits set forth therein, by Our Prerogative Royal and of Our especial grace, certain knowledge, and mere motion, have constituted, erected, and incorporated, and by this Our Charter for Us and Our heirs and Royal successors do constitute, erect, and incorporate into one body politic and corporate by the name of The British South Africa Company the said James Duke of Abercorn, Alexander William George Duke of Fife, Edric Frederick Lord Gifford, Cecil John Rhodes, Alfred Beit, Albert Henry George Grey, and George Cawston, and such other persons and such bodies as from time to time become and are members of the body politic and corporate by these presents constituted, erected, and incorporated, with perpetual succession and a common seal, with power to break, alter, or renew the same at discretion, and with the further authorities, powers, and privileges conferred, and subject to the conditions imposed by this Our Charter: And We do hereby accordingly will, ordain, give, grant, constitute, appoint, and declare as follows (that is to say) :—

1. The principal field of the operations of The British South Africa Company (in this our Charter referred to as "the Company") shall be the region of South Africa lying immediately to the north of British Bechuanaland, and to the north and west of the South African Republic, and to the west of the Portuguese Dominions.

2. The Company is hereby authorised and empowered to hold, use, and retain for the purposes of the Company and on the terms of this Our Charter the full benefit of the concessions and agreements made as aforesaid, so far as they are valid, or any of them, and all interests, authorities, and powers comprised or referred to in the said concessions and agreements. Provided always that nothing herein contained shall prejudice or affect any other valid and subsisting concessions or agreements which may have been made by any of the Chiefs or tribes aforesaid, and in particular nothing herein contained shall prejudice or affect certain concessions granted in and subsequent to the year 1880 relating to the territory usually known as the district of the Tati; nor shall anything herein contained be construed as giving any jurisdiction, administrative or otherwise, within the said district of the Tati, the limits of which district are as follows:—viz. from the place where the Shashi river rises to its junction with the Tati and Ramaquaban rivers, thence along the Ramaquaban river to where it rises and thence along the watershed of those rivers.

3. The Company is hereby further authorised and empowered, subject to the approval of one of Our Principal Secretaries of State (herein referred to as "Our Secretary of State"), from time to time, to acquire by any concession, agreement, grant, or treaty, all or any rights, interests, authorities, jurisdictions, and powers of any kind or nature whatever, including powers necessary for the purposes of government, and the preservation of public order in

or for the protection of territories, lands, or property, comprised or referred to in the concessions and agreements made as aforesaid, or affecting other territories, lands, or property in Africa, or the inhabitants thereof, and to hold, use, and exercise such territories, lands, property, rights, interests, authorities, jurisdictions, and powers respectively for the purposes of the Company, and on the terms of this Our Charter.

4. Provided that no powers of government or administration shall be exercised under or in relation to any such last-mentioned concession, agreement, grant, or treaty until a copy of such concession, agreement, grant, or treaty, in such form and with such maps or particulars as Our Secretary of State approves verified as he requires, has been transmitted to him, and he has signified his approval thereof either absolutely or subject to any conditions or reservations; and provided also that no rights, interests, authorities, jurisdictions, or powers of any description shall be acquired by the Company within the said district of the Tati as herein-before described, without the previous consent in writing of the owners for the time being of the concessions above referred to relating to the said district, and the approval of Our Secretary of State.

5. The Company shall be bound by and shall fulfil all and singular the stipulations on its part contained in any such concession, agreement, grant, or treaty as aforesaid subject to any subsequent agreement affecting those stipulations approved by Our Secretary of State.

6. The Company shall always be and remain British in character and domicile, and shall have its principal office in Great Britain, and the Company's principle representative in South Africa and the directors shall always be natural-born British subjects, or persons who have been naturalised as British subjects by or under an Act of Parliament of Our United Kingdom, but this Article shall not disqualify any person nominated a Director by this Our Charter, or any person whose election as a director shall have been approved by Our Secretary of State, from acting in that capacity.

7. In case at any time any difference arises between any Chief or tribe inhabiting any of the territories aforesaid and the Company, that difference shall, if Our Secretary of State so require, be submitted by the Company to him for his decision, and the Company shall act in accordance with such decision.

8. If at any time Our Secretary of State thinks fit to dissent from, or object to, any of the dealings of the Company with any foreign Power, and to make known to the Company any suggestion founded on that dissent or objection, the Company shall act in accordance with such suggestion.

9. If at any time Our Secretary of State thinks fit to object to the exercise by the Company of any authority, power, or right, within any part of the territories aforesaid, on the ground of there being an adverse claim to or in respect of that part, the Company shall defer to that objection until such

time as any such claim has been withdrawn or finally dealt with or settled by Our Secretary of State.

10. The Company shall to the best of its ability preserve peace and order in such ways and manners as it shall consider necessary, and may with that object make ordinances (to be approved by Our Secretary of State), and may establish and maintain a force of police.

11. The Company shall to the best of its ability discourage and, so far as may be practicable, abolish by degrees, any system of slave trade or domestic servitude in the territories aforesaid.

12. The Company shall regulate the traffic in spirits and other intoxicating liquors within the territories aforesaid, so as, as far as practicable, to prevent the sale of any spirits or other intoxicating liquor to any Natives.

13. The Company as such, or its officers as such, shall not in any way interfere with the religion of any class or tribe of the peoples of the territories aforesaid, or of any of the inhabitants thereof, except so far as may be necessary in the interests of humanity, and all forms of religious worship or religious ordinances may be exercised within the said territories and no hindrance shall be offered thereto except as aforesaid.

14. In the administration of justice to the said peoples or inhabitants, careful regard shall always be had to the customs and laws of the class or tribe or nation to which the parties respectively belong, especially with respect to the holding, possession, transfer, and disposition of lands and goods, and testate or intestate succession thereto, and marriage divorce and legitimacy and other rights of property and personal rights, but subject to any British laws which may be in force in any of the territories aforesaid, and applicable to the peoples or inhabitants thereof.

15. If at any time Our Secretary of State thinks fit to dissent from or object to any part of the proceedings or system of the Company relative to the peoples of the territories aforesaid, or to any of the inhabitants thereof, in respect of slavery or religion or the administration of justice, or any other matter, he shall make known to the Company his dissent or objection, and the Company shall act in accordance with his directions duly signified.

16. In the event of the Company acquiring any harbour or harbours, the Company shall freely afford all facilities for or to Our ships therein without payment except reasonable charges for work done, or services rendered or materials or things supplied.

17. The Company shall furnish annually to Our Secretary of State, as soon as conveniently may be after the close of the financial year, accounts of its expenditure for administrative purposes, and of all sums received by it by way of public revenue, as distinguished from its commercial profits, during the financial year, together with a report as to its public proceedings and the condition of the territories within the sphere of its operations. The Company shall

also on or before the commencement of each financial year furnish to Our Secretary of State an estimate of its expenditure for administrative purposes, and of its public revenue (as above defined) for the ensuing year. The Company shall in addition from time to time furnish to Our Secretary of State any reports, accounts, or information with which he may require to be furnished.

18. The several officers of the Company shall, subject to the rules of official subordination, and to any regulations that may be agreed upon, communicate freely with Our High Commissioner in South Africa, and any others Our officers who may be stationed within any of the territories aforesaid, and shall pay due regard to any requirements, suggestions, or requests which the said High Commissioner or other officers shall make to them, or any of them, and the Company shall be bound to enforce the observance of this Article.

19. The Company may hoist and use on its buildings and elsewhere in the territories aforesaid, and on its vessels, such distinctive flag indicating the British character of the Company as Our Secretary of State and the Lords Commissioners of the Admiralty shall from time to time approve.

20. Nothing in this Our Charter shall be deemed to authorise the Company to set up or grant any monopoly of trade; provided that the establishment of, or the grant of, concessions for banks, railways, tramways, docks, telegraphs, waterworks, or other similar undertakings, or the establishment of any system of patent or copyright approved by Our Secretary of State, shall not be deemed monopolies for this purpose. The Company shall not, either directly or indirectly, hinder any Company or persons who now are, or hereafter may be, lawfully and peaceably carrying on any business, concern, or venture within the said district of the Tati hereinbefore described, but shall by permitting and facilitating transit by every lawful means to and from the district of the Tati, across its own territories or where it has jurisdiction in that behalf, and by all other reasonable and lawful means encourage, assist, and protect all British subjects who now are, or hereafter may be, lawfully and peacefully engaged in the prosecution of a lawful enterprise within the said district of the Tati.

21. For the preservation of elephants and other game, the Company may make such regulations and (notwithstanding anything herein-before contained) may impose such licence duties on the killing or taking of elephants or other game as they may see fit: Provided that nothing in such regulations shall extend to diminish or interfere with any hunting rights which may have been or may hereafter be reserved to any native Chiefs or tribes by treaty, save so far as any such regulations may relate to the establishment and enforcement of a close season.

22. The Company shall be subject to and shall perform and undertake all the obligations contained in or undertaken by Ourselves under any treaty, agreement, or arrangement between Ourselves and

any other State or Power whether already made or hereafter to be made. In all matters relating to the observance of this Article, or to the exercise within the Company's territories for the time being, of any jurisdiction exerciseable by Us under the Foreign Jurisdiction Acts, the Company shall conform to and observe and carry out all such directions as may from time to time be given in that behalf by Our Secretary of State, and the Company shall appoint all necessary officers to perform such duties, and shall provide such Courts and other requisites as may from time to time be necessary for the administration of justice.

23. The original share capital of the Company shall be 1,000,000*l.* divided into 1,000,000 shares of 1*l.* each.

24. The Company is hereby further specially authorised and empowered for the purposes of this Our Charter from time to time—

(I.) To issue shares of different classes or descriptions, to increase the share capital of the Company, and to borrow moneys by debentures or other obligations.

(II.) To acquire and hold, and to charter, or otherwise deal with, steam vessels and other vessels.

(III.) To establish or authorise banking companies and other companies, and undertakings or associations of every description, for purposes consistent with the provisions of this Our Charter.

(IV.) To make and maintain roads, railways, telegraphs, harbours, and any other works which may tend to the development or improvement of the territories of the Company.

(V.) To carry on mining and other industries, and to make concessions of mining, forestal, or other rights.

(VI.) To improve, develope, clear, plant, irrigate, and cultivate any lands included within the territories of the Company.

(VII.) To settle any such territories and lands as aforesaid, and to aid and promote immigration.

(VIII.) To grant lands for terms of years or in perpetuity, and either absolutely or by way of mortgage or otherwise.

(IX.) To make loans or contributions of money or money's worth, for promoting any of the objects of the Company.

(X.) To acquire and hold personal property.

(XI.) To acquire and hold (without licence in mortmain or other authority than this Our Charter), lands in the United Kingdom, not exceeding five acres in all, at any one time for the purposes of the offices and business of the Company, and (subject to any local law) lands in any of Our Colonies or Possessions and elsewhere, convenient for carrying on the management of the affairs of the Company, and to dispose

from time to time of any such lands when not required for that purpose.

(XII.) To carry on any lawful commerce, trade, pursuit, business operations, or dealing whatsoever in connexion with the objects of the Company.

(XIII.) To establish and maintain agencies in Our Colonies and Possessions and elsewhere.

(XIV.) To sue and be sued by the Company's name of incorporation, as well in Our Courts in our United Kingdom, or in Our Courts in Our Colonies or Possessions, or in Our Courts in foreign countries or elsewhere.

(XV.) To do all lawful things incidental or conducive to the exercise or enjoyment of the rights, interests, authorities, and powers of the Company in this Our Charter expressed or referred to, or any of them.

25. Within one year after the date of this Our Charter or such extended period as may be certified by Our Secretary of State, there shall be executed by the Members of the Company for the time being a Deed of Settlement, providing, so far as necessary, for—

(I.) The further definition of the objects and purposes of the Company.

(II.) The classes or descriptions of shares into which the capital of the Company is divided, and the calls to be made in respect thereof, and the terms and conditions of membership of the Company.

(III.) The division and distribution of profits.

(IV.) General meetings of the Company; the appointment by Our Secretary of State (if so required by him) of an Official Director, and the number, qualification, appointment, remuneration, rotation, removal, and powers of Directors of the Company, and of other officers of the Company.

(V.) The registration of Members of the Company, and the transfer of shares in the capital of the Company.

(VI.) The preparation of annual accounts to be submitted to the Members at a General Meeting.

(VII.) The audit of those accounts by independent auditors.

(VIII.) The making of bye-laws.

(IX.) The making and using of official seals of the Company.

(X.) The constitution and regulation of Committees or Local Boards of Management.

(XI.) The making and execution of supplementary deeds of settlement.

(XII.) The winding up (in case of need) of the Company's affairs.

(XIII.) The government and regulation of the Company and of its affairs.

(XIV.) Any other matters usual or proper to be provided for in respect of a chartered company.

26. The Deed of Settlement shall, before the execution thereof, be submitted to and approved by the Lords of Our Council, and a certificate of their approval thereof, signed by the Clerk of Our Council, shall be endorsed on this Our Charter and be conclusive evidence of such approval, and on the Deed of Settlement, and such Deed of Settlement shall take effect from the date of such approval, and shall be binding upon the Company, its members, officers, and servants, and for all other purposes whatsoever.

27. The provisions of the Deed of Settlement or of any supplementary Deed for the time being in force, may be from time to time repealed, varied, or added to by a supplementary Deed, made and executed in such manner as the Deed of Settlement prescribes. Provided that the provisions of any such Deed relative to the official Director shall not be repealed, varied, or added to without the express approval of Our Secretary of State.

The Members of the Company shall be individually liable for the debts, contracts, engagements, and liabilities of the Company to the extent only of the amount, if any, for the time being unpaid on the shares held by them, respectively.

29. Until such Deed of Settlement as aforesaid takes effect the said James Duke of Abercorn shall be the President; the said Alexander William George Duke of Fife shall be Vice-President; and the said Edric Frederick Lord Gifford, Cecil John Rhodes, Alfred Beit, Albert Henry George Grey, and George Cawston, shall be the Directors of the Company; and may on behalf of the Company do all things necessary or proper to be done under this Our Charter by or on behalf of the Company: Provided always that, notwithstanding anything contained in the Deed of Settlement of the Company, the said James Duke of Abercorn, Alexander William George Duke of Fife, and Albert Henry George Grey, shall not be subject to retire from office in accordance with its provisions, but shall be and remain Directors of the Company until death, incapacity to act, or resignation, as the case may be.

30. And We do further will, ordain, and declare that this Our Charter shall be acknowledged by Our Governors and Our naval and military officers and Our Consuls and Our other officers in Our Colonies and Possessions, and on the high seas, and elsewhere, and they shall severally give full force and effect to this Our Charter, and shall recognise and be in all things aiding to the Company and its officers.

31. And We do further will, ordain, and declare that this our Charter shall be taken, construed, and adjudged in the most favourable and beneficial sense for and to the best advantage of the Company as well in Our Courts in Our United Kingdom, and in Our Courts in Our Colonies or Possessions, and in Our Courts in foreign countries or elsewhere, notwithstanding that there may appear to be in this Our Charter any non-recital, mis-recital, uncertainty, or imperfection.

32. And We do further will, ordain, and declare that this Our Charter shall subsist and continue valid, notwithstanding any lawful change in the name of

the Company, or in the Deed of Settlement thereof, such change being made with the previous approval of Our Secretary of State signified under his hand.

33 And We do further will, ordain, and declare that it shall be lawful for Us Our heirs and successors, and We do hereby expressly reserve to Ourselves Our heirs and successors the right and power by writing under the Great Seal of the United Kingdom at the end of 25 years from the date of this Our Charter, and at the end of every succeeding period of 10 years, to add to, alter, or repeal any of the provisions of this Our Charter or to enact other provisions in substitution for or in addition to any of its existing provisions. Provided that the right and power thus reserved shall be exercised only in relation to so much of this Our Charter as relates to administrative and public matters. And We do further expressly reserve to Ourselves Our heirs and successors the right to take over any buildings or works belonging to the Company, and used exclusively or mainly for administrative or public purposes on payment to the Company of such reasonable compensation as may be agreed, or as, failing agreement, may be settled by the Commissioners of Our Treasury. And We do further appoint, direct, and declare that any such writing under the Great Seal shall have full effect and be binding upon the Company, its members, officers, and servants, and all other persons, and shall be of the same force, effect, and validity as if its provisions had been part of and contained in these presents.

34. Provided always, and We do further declare, that nothing in this Our Charter shall be deemed or taken in anywise to limit or restrict the exercise of any of Our rights or powers with reference to the protection of any territories or with reference to the government thereof should We see fit to include the same within Our dominions.

35. And We do lastly will, ordain, and declare without prejudice to any power to repeal this Our Charter by law belonging to Us Our heirs and successors, or to any of Our courts, ministers, or officers independently of this present declaration and reservation, that in case at any time it is made to appear to Us in Our Council that the Company has substantially failed to observe and conform to the provisions of this Our Charter, or that the Company is not exercising its powers under the concessions, agreements, grants, and treaties aforesaid, so as to advance the interests which the Petitioners have represented to Us to be likely to be advanced by the grant of this Our Charter, it shall be lawful for Us Our heirs and successors, and We do hereby expressly reserve and take to Ourselves Our heirs and successors the right and power by writing under the Great Seal of Our United Kingdom, to revoke this Our Charter, and to revoke and annul the privileges, powers, and rights hereby granted to the Company.

In Witness whereof We have caused these Our Letters to be made Patent.

Witness Ourself at Westminster, the 29th day of October in the fifty [third] year of Our reign.

By warrant under the Queen's Sign Manual.

JC 10/8/1/4

[*Printed for the Use of the Colonial Office.*]

African (South).
No. 456.

THE MATABELE DISTURBANCES.

The Matabele are Zulu in origin and have occupied their present country for but little over 50 years. Lo Bengula's father, Umziligase, or Mozelikatze, was among the greatest of the Indunas, or Captains, whom the Zulu King, Chaka, used to send out on raiding expeditions, the fruits of which went to the King. Umziligase, tired of this treatment, went off one day with several strong regiments, or impis, into what is now the South African Republic, and never returned. Here he killed or enslaved those native inhabitants who did not escape beyond the Limpopo into Bechuanaland and the Kalahari, until he was in his turn driven out by the Trek Boers, after many bloody engagements, the last of which took place in 1838. It was then that the Matabele settled in their present country to the north of the Republic. At the death of Umziligase, about 1870, his eldest son and legal heir had mysteriously disappeared, and Lo Bengula, a son of an inferior wife, was chosen by the Indunas to succeed. Lo Bengula's power over his people has never been so great as would have been that of a conqueror or a legal heir.

The country actually and permanently occupied by the Matabele is a high oblong plateau (or "High Veldt"), the approach to which from the S.W., S., S.E., and E. is through dense bush or narrow defiles. The approach from the other side is supposed to be easier, but is little known. From this stronghold, in the middle of which lies Buluwayo, the King's Kraal, the Matabele have continued in the old Zulu fashion to raid the surrounding country. By virtue of these raids they were held to have established a claim to sovereignty over what is known as Mashonaland lying to the E. and S.E. of their stronghold. Lo Bengula also makes a vague claim to sovereignty over the Bechuana Chief, Khama, and a large part of the country which is more directly under our protection; but the Matabele have long since ceased to raid in that direction, so that, for present purposes, their

country may be taken to be that lying directly to the north of the South African Republic. This country is, roughly speaking, cut in two by the south-eastern boundary of the stronghold, a range of hills running N.E. and S.W.

It was into this southern and eastern part that the Chartered Company entered in 1890, armed with a concession by which, in exchange for 1,000 Martini-Henry rifles (with ammunition), a gunboat on the Zambesi (which was never produced) or 500*l.* in lieu, and a pension of 1,200*l.* a year, Lo Bengula granted exclusive mineral rights over *the whole of* his country except the Tati district. The Company subsequently, in 1891, acquired, through a German financier called Lippert, another concession by which Lo Bengula, in consideration of 500*l.* a year, granted the right to dispose of land in his name. The Company, however, admit that, in regard to land, there is an implied reservation of native rights in accordance with Article 14 of their Charter (see Mr. Buxton's answer to Mr. Labouchere, March 4, 1893). Both these concessions practically extend over all Lo Bengula's countries, but the Company have confined their operations to the southern and eastern part above mentioned (which may be conveniently called Mashonaland), leaving the Matabele stronghold untouched. In recent correspondence there have been occasional references to a supposed understanding between the Company and Lo Bengula that each party was to keep on its own side of a roughly defined boundary, but there is no evidence that Lo Bengula was ever party to such an understanding, and according to Dr. Jameson, the Company's Administrator, the Matabele have, in pursuance of their previous practice, raided Mashonaland repeatedly during the last two years, killing the Mashona men, taking their women and children into slavery, stealing stock and burning crops, and in the result paralyzing business, mining, agriculture, and transport.

S.A. 369, No. 89.

S.A. 426, No. 9.

C. 7171, pp. 50 and 68.

C. 7171, p. 59.

Whether the foray which was the immediate cause of the present disturbances was, as Lo Bengula maintains, intended to punish the Mashonas for cattle stealing and for cutting the white man's telegraph wire, or not, it was attended with the outrages characteristic of the Matabele raids. The native servants of the white men were, it is said, killed at their very doors. The impi penetrated into the township of Victoria where they killed 20. Remonstrances were met by the usual tale, "King's orders to punish Mashonas, and not to interfere with white men; also to require men, women, and children refugees to be given up." This last demand was, of course, not complied with, and on the 18th of July the Indunas were ordered by Dr. Jameson to withdraw with their impi within an hour. As they failed to do this Dr. Jameson ordered Captain Lendy to drive them away. It is stated

C. 7171, p. 59.

C. 7171, p 53.

that they fired on Lendy's party, who returned the fire and chased them 9 miles, killing several, including one if not two important Indunas.

This is the story as given by the Company. Lo Bengula was informed by the impi on their return that, in accordance with his orders, they did not fire on the white men. Previous to the Victoria incident Lo Bengula appeared to be friendly. He announced in friendly terms the approach of the "punitive" expedition, to which Dr. Jameson replied by informing him that the impi, being beyond the King's control, were burning kraals close to Victoria, killing the servants of the white men and stealing their cattle, and that if they did not return the cattle and retire beyond the "agreed border" Captain Lendy would be ordered to drive them away. Lo Bengula's message in reply is worth quoting *in extenso* as follows:—

15112, enclosure 23.

C. 7171, p. 50.

"You are quite right; your people would probably get exasperated at the behaviour of some of my young men, and trouble would come of it, although I gave strict orders to Umgangane and Maneapi (the two Indunas in charge of the impi) to punish Bere and Simundi only, and then to return here at once; also, that if any of the natives sought refuge amongst the white men to go to the white chief in charge and ask for the refugees to be delivered, and to be very careful not to cause or get into trouble with the white men. I hope, however, that my Indunas will have restored you the captured cattle ere this. I am also very glad indeed that you asked Captain Lendy to order my people back. I acknowledge that I was wrong in sending my impi so close to the white people, but it was nevertheless necessary that I should punish these Maholis* for cattle stealing and other offences."

C. 7171, p. 65.

This was before he knew of the killing of his men.

Sir H. Loch felt himself justified by these communications in assuming that the Indunas had exceeded their instructions, and in requesting that they should be punished, compensation made, and the system of raiding abandoned. Immediately on hearing that demands for compensation were contemplated by the Company, but before knowing that they had actually been made, Lord Ripon telegraphed that they should not be pressed, the Matabeles having acted contrary to Lo Bengula's orders, and those actually engaged having been sufficiently punished.

C. 7171, pp. 49, 51, and 55.

C. 7190.

After the return of the impi Lo Bengula's tone changed, whether of his own free will or under pressure from his "young men" cannot at present be known. About August 25 Sir H. Loch received from him the following message:—

C. 7171, p. 66.

"I shall return no cattle or compensate anybody for either cattle captured by my impi or damage done to property until such time that Rhodes first returns to me all the captives, their

* =Mashonas.

wives and children, cattle, goats, and sheep which were given protection to by the Victoria people, and had I known at the time when I despatched my impi in the direction of Victoria what I know now I would have ordered them to capture and loot all they could lay their hands on belonging to the whites to compensate myself for the people and their property which were withheld from me." On this Sir H. Loch observed, "It is of course impossible to comply with this request or to surrender the unfortunate Mashonas with their wives and children to be murdered by the Matabele." But he still hoped for a peaceful solution and had sent messages to Lo Bengula on August 15, 16, and 29, to the effect that he wished for peace, and that if Lo Bengula would keep his impi away from the neighbourhood of the white people, he (Sir H. Loch) would advise Dr. Jameson to be content with the return of any property stolen from the white people, but that it was impossible to surrender the refugees. It is, however, to be noted that, in the opinion of Mr. Colenbrander, who had been for some time the Company's Agent at Buluwayo, the surrender of the refugees would be regarded at Buluwayo as an essential condition of peace.

C. 7171, p. 73.
15112, enclosures 21 and 26.
15804, enclosure 12.
15804, enclosure 9.

Meanwhile, the excitement among the white settlers in Mashonaland was extreme, and pressure was being put upon the Company to take strong and immediate action against the Matabele. Sir H. Loch had pointed out to the Company (July 24 and August 4) that, while they were responsible for the safety of the territory under their administration, war with the Matabele, especially if not waged from the commencement with complete success, would imply danger to the Bechuanaland Protectorate and issues of so wide an importance that it must not be undertaken hastily or without due authority and proper preparation, and that, without desiring to impair the Company's freedom of action, it was his duty to do his utmost to maintain peace by using his influence for that purpose with Lo Bengula. Sir H. Loch's action in this respect was fully approved, and he was authorised by telegram on August 28 to inform the Company that, unless they were attacked, no aggressive movement was to be made without his sanction (which was not to be given without communication with Her Majesty's Government). In a telegram of August 27, to which the above was a reply, Sir H. Loch summed up the situation as follows :—

15522, enclosure 12.
C. 7171, pp. 49, 61, and 69.
C. 7171, pp. 49, 72, and 73.

"British South Africa Company, through Rhodes, say they ask for nothing and want nothing. At present this is quite true, but whether this can continue must depend upon speedy suppression of Matabele if hostilities commenced. Rhodes estimates in one month's time he will have 1,000 men fully armed and mounted, with strong positions at Victoria and Salisbury. If a shot is fired, Lo Bengula is unlikely to leave

C. 7171, p. 73.

Macloutsie and Bechuanaland Protectorate unmolested; therefore, whatever happens in Mashonaland must react on Bechuanaland Protectorate, and for this reason I informed British South Africa Company that no offensive movement was to be made without my authority, although I believe this is understood. To avoid mistake, may I have your authority to repeat to British South Africa Company that, unless attacked or telegraphic communication with Mashonaland is interrupted, no aggressive movement is to be made without my previous knowledge and permission? In conclusion, I understand position to be: British South Africa Company are responsible for defence of their position, and are to avoid if possible aggressive action. High Commissioner is responsible for defence of Macloutsie and maintenance of our position in Bechuanaland Protectorate if attacked. Although situation is unpromising, when Lo Bengula understands that no compensation is demanded he may withdraw his inadmissible demands for surrender of Mashonas, their wives and children, and things may then return to the *status quo ante*, but in the meantime no necessary precautions for defence should be omitted. There is opportunity tomorrow, by Matabele boys (*i.e.*, working men) returning from Palapye, to send messages to Lo Bengula. I propose to send message: If he is thinking of sending Indunas to speak to me I shall be glad to receive them if they come with words of peace and friendship."

15182.

During the first three weeks of September nothing of importance occurred. A comparatively unimportant headman named Umshete, who had been employed on two previous missions to the British Government, was sent to Cape Town. Sir H. Loch thought he was sent to gain time, as, if a peaceful settlement had been intended, there would have been other and important Indunas with him. Umshete was detained on the way down by sickness, and arrived only about September 23. The result of his interview with Sir H. Loch (as briefly reported by telegram of October 5) seems to justify the latter's view. The interview was inconclusive, except that it made it clear that the Matabele would not accept a boundary or consent to give up raiding the Mashonas.

16978

During this interval the Company were enrolling armed men and purchasing horses and equipment. It was estimated that early in October they would have in Mashonaland 850 mounted men, divided nearly equally between Forts Charter, Victoria, and Tuli, 200 spare horses, and 8 or 9 field guns, exclusive of garrisons and guns for Forts Salisbury and Victoria. It ought to be mentioned here that from Fort Macloutsie, the most northern position of the Bechuanaland Border Police, the road (and telegraph line) through Mashonaland runs in a north-easterly direction and passes successively through Forts Tuli, Victoria, and

16275.

Charter, to Salisbury. Sir H. Loch was at the same time, with Lord Ripon's approval, increasing the total strength of the Bechuanaland Border Police from about 420 to about 520, and he has quite recently received authority to add 150 more. The extra men are engaged for short service.

Up to September 21, the Company, it will be remembered, were under the restriction that, unless attacked, they were to make no aggressive movement without the consent of Sir H. Loch who was to communicate with Her Majesty's Government before giving his decision. On that date (September 21) Sir H. Loch telegraphed to Lord Ripon for a freer hand. Lo Bengula was said to be personally anxious for peace. He is a shrewd man, and this is very likely to be correct, but he may have found himself unable to restrain his "young men." It was said that his preparations, of which various reports had reached Cape Town, were for defence only. Sir H. Loch pointed out that these preparations might be for either defence or attack, and that the Company would soon have all their horses in the country and would be very anxious to bring matters to a conclusion, for they could not stand the continued expense and uncertainty. He added :—

16189.

"I do not see, unless Her Majesty's Government are prepared to assist the Company with men and money, and to accept all the responsibilities that now attach (to) the Company, how Her Majesty's Government can exercise the right of interfering with the Company's freedom of action. Should British South Africa Company communicate to me their desire to require the withdrawal of the impis from the close proximity of the white settlements, I think that it should be left to me to decide whether the time had arrived for informing the Company that they must exercise their own discretion as to the best means of securing the safety of the people and property for which the Company, as Administrators of the country, are responsible; but before making this communication to the British South Africa Company I should be careful, as far as possible, to satisfy myself that impis were actually in dangerous proximity to the white settlements, so that the British South Africa Company should not be led into any aggressive movement under the mistaken apprehension of danger." In another telegram of the same date, he reported that impis were said to be moving slowly towards Victoria and Tati. Tati is a mining settlement about 60 miles to the north-west of Macloutsie, on the Bechuana side of the Matabele stronghold and within the High Commissioner's jurisdiction, but admitted to be within Lo Bengula's country.

16190.

To these telegrams Lord Ripon replied on the 22nd September as follows :—

16189.

"I recognise necessity in certain eventualities of prompt action. Therefore, if you consider that time will not permit of reference home, you have

the authority you request, to be exercised on the conditions you propose.

"You can best judge whether movements of impis are due to intention to attack or to fear of aggression. If the latter, would it not be desirable to reassure Lo Bengula on this point? He might be told that we observe that he is advancing his forces which are in dangerous proximity to the white men and those under their protection. You think that this may be due to fear of attack by the Company, and not to any intention on his part to commence a war which could only result ultimately in the destruction of himself and his people. He need not fear attack if he himself will refrain from attacking, and undertake not to raid any more in districts to be specified by you. He should also give pledge of good faith by withdrawal of his impis from any places that you deem dangerous. If this is done he may rest assured that you will not allow any attack on him.

"Desirable to avoid any appearance of ultimatum."

So far as we know, the proposed message to Lo Bengula was not sent, events having developed too rapidly to make it of any avail.

On September 24, Sir H. Loch reported by telegram that he was "satisfied that a strong impi was moving on Victoria, another on Tati; latter means, if true, an attack on the Bechuanaland Protectorate, possibly to cut off lines of communication." He set forth the measures he was taking for defence, and added that on the 16th he had sent a message to Lo Bengula, "I hear that you have sent impis to border; I ask you is this so, and why do you send impis close to the white men?" Lo Bengula does not appear to have replied to this.

16276.

No further news reached the Colonial Office till October 2, when Sir H. Loch telegraphed that the intentions and whereabouts of the Matabele were still uncertain, and that, the reports from native sources being untrustworthy, he had requested Dr. Jameson to send out patrols and white scouts to obtain definite information, but to avoid all collision. In his actual telegram to Dr. Jameson, dated September 26 (which has now reached us by post) Sir H. Loch said, "I think it would be advisable, instead of sending forward strong patrols which would probably confirm Lo Bengula in his fears that invasion is intended and consequently lead to collision with the Matabele, that small parties under men in whose discretion you can place thorough reliance should be at once sent forward to ascertain the true position of affairs, that these scouting parties should not go beyond a distance to be prescribed by you, within which area if there are no impis it would be safe for miners and others to return to their usual avocations without danger of sudden attack. Under these circumstances all necessity for aggressive operations would be obviated."

16769 (i.)

17439.

Sir H. Loch added, in his telegram to Lord Ripon:—"I cannot conceal from myself peace becomes every day more doubtful. Lo Bengula not sending reply to my friendly message increases present difficulties. I have just sent him another message warning him of the danger of sending impis too near to white people, but I feel, as time is so limited in which operations can be carried on, that it is not fair to the British South Africa Company to delay unduly their action if the impis are really threatening them. I shall know more in a few days when Dr. Jameson's scouts return." The same afternoon (October 2) he telegraphed that an impi, reported to be several thousands strong, had appeared near Victoria and fired on a scouting party, and on the 5th he telegraphed that a patrol of the Bechuanaland Police had been fired on near the Shashi River by an advance party of about 30 Matabele. In his opinion this close approach and offensive action of the Matabele indicated that the impis had got "out of hand," and intended to force a war.

16769 (ii.)

16974.

It was doubtless in consequence of these events that Sir H. Loch, acting on the discretion given him, gave the Company a free hand, as appears to be the case, though we have had no special report of it, and do not know whether he did so before or after he had received the following telegram from Lord Ripon:—

754 S.

"October 6.—Fighting having begun, emergencies may possibly arise suddenly requiring immediate action without previous reference to me. Therefore you have authority to take such steps as you may think advisable to meet contingencies as they occur. Of course you will keep me very fully informed of any action you may deem immediately necessary. Very secret. The possibility of a reverse or serious check to the Company's forces should be considered, and, as far as possible, provided against. What do you propose in such a case?"

17306.

It may be here mentioned that Sir H. Loch has expressly stated (in a telegram of October 12) that "the Company's forces could not have advanced earlier" than when they received permission from him to do so.

The subsequent correspondence is occupied with the military preparations.

The number of men which Sir H. Loch has been authorised to add to the Bechuanaland police will bring the total strength of that force up to about 670. Of this at least 170 are required in the Crown Colony of Bechuanaland and the Southern Protectorate, where there are two chiefs who have occasionally shown signs of disaffection towards us, possibly instigated by unscrupulous concession seekers, but in any case requiring to be guarded against. The rest of the Police are on the border of Matabeleland with the Commandant, Colonel Goold-Adams, who has been ordered to occupy Tati with 220 of

his own men, 200 of the Company's men withdrawn from Fort Tuli for this purpose (the Company paying their expenses), and 1,000 men given by the Bechuana chief Khama. Khama will, if required, turn out with 2,000 more men; but Sir F. Carrington, the late Commandant of the Bechuanaland Police, throws doubt on their fighting power. Khama's friendship towards us, and hatred of his old enemy the Matabele, is beyond question, but the courage of his warriors is far less certain.

Sir H. Loch's plan seems to be to allow Colonel Goold-Adams, if and when sufficiently reinforced, to move from Tati into the High Veldt, by which it is understood that he would not move up the direct waggon road towards Buluwayo (which passes through dangerous defiles), but would attempt to turn the flank of the Matabele stronghold by a way supposed to be known to Khama's people.

The Company on their side are said to be advancing in a body of 1,400 (1,000 of whom are mounted) in the direction of Buluwayo, entering on the High Veldt from Fort Charter and travelling along the high plateau towards the King's Kraal. They hope to draw the Matabele into open country, where, if the white men fight in laager (a sort of fort made of waggons), their rifles and machine guns should be very effective.

The Matabele possess the old Zulu military organisation. Their total fighting strength is estimated at from 15,000 to 20,000, but of these perhaps one-third are of enslaved races, and of the rest, few, if any, can be of pure Zulu blood. For this reason they are said to be inferior to their Zulu cousins in fighting power, but they are credited with equal, if not superior, cunning.

F G.

October 12, 1893.

JC 10/8/11/5

I should like to have a statement as soon as I can of the exact rights of the B. S. A Comp. in Matabeleland whether under their Charter or under concessions made to, or acquired by, them, according to the view of the Department.

R. 7/11

Lord Ripon

Mr Graham and I can prepare the accompanying Memorandum in answer to the above questions.

The matter and Rhodes is more fully gone into in Mr Olivier's Memorandum herewith No 439.

E.S.

3.11.93

Mr Buxton would like to see the Memo: as it assumes some points which are being urged on him in the House. ES

I am much obliged to Mr Fairfield & Mr Graham.

Public Library R—

1 P 6/11

JC 10/8/1/5

Memo: re Lus Report

Claims of the B.S.A. Co: in Matabeleland

The most important and least disputable right of the British South Africa Company in Matabeleland is the Rudd Concession, which they hold as lessees from the United Concessions Company and which gives them exclusive control over the minerals and profits therefrom in his "kingdoms, principalities and dominions", excepting the Tati district, with power to expel and a promise of assistance in expelling all other persons seeking either mineral or land Concessions (p. 139 of 5918).

The opponents of the Company have started a theory that the late Government doubted the validity of the Concession, that the object of Lord Knutsford's letter to the King of the 15th of November 1889 (p.233 of C - 5918) was to induce the King to "confirm" it, and that in the result it was only confirmed quâ Mashonaland — So that it has no existence quâ Matabeleland. It is probable

probable enough that Lo Bengula did not mean to give an exhaustive and exclusive grant of the Minerals in his country, but it may be safely affirmed that Her Majesty's late Government - once they had made up their minds to grant the Charter - never used any expression intended to convey a doubt of the full validity of the Concession, and the object of the letter of the 15th of November was, besides explaining away Lord Knutsford's earlier anti-monopoly letter - to ask the King to grant the Company administrative powers or to recognize the exercise by them of such powers over their own people.

The Matabele having now disappeared as an organized power, it may be fairly contended that the recognition by the late Government of the Rudd Concession is binding on European "third parties."

The second most tangible right claimed by the Company in Matabeleland is the right to grant lands under the Lippert Concession - which, it will be remembered, was originally intended as a check to the Company

but

but which the Company acquired from Lo Bengula's false friend, the grantee.

A doubt has been raised as to whether the Lippert Concession extends over the whole of Lo Bengula's countries, but the following quotation from it seems to support the Company's view:- "The said rights and privileges "shall only extend and apply to all "such territories as now are or may "hereafter be occupied by, or be under "the sphere of operations of the Brit-"ish South Africa Company." Per Contra, it might be argued that according to the intention of the parties (of whom the Chartered Company was not one) only a peaceful occupation was contemplated. It is a question of construction and inference. The Chartered Company in acquiring it could not have imputed into it any other meaning than it had to Lo Bengula and their predecessors in title.

The third and remaining right which the Company may be disposed to claim - apart of course from any "moral" right as conquerors - would be under Article 10 of the Charter which is as follows:- "10 "The Company shall to the best of its ability preserve peace and order in such ways and manners as it shall consider necessary, and may, with

with that object make ordinances (to be approved by Our Secretary of State) and may establish and maintain a force of police".

The history of this clause, which does not occur in any other Charter, is curious and worth relating. It was only put in at the last moment — at a Conference between Sir Robert Herbert and Mr Fairfield on one side, and Mr Albert Grey and Mr Hawksley on the other. The Promoters of the Company ~~have~~ had been given to understand by their good friends in our service at the Cape that our police would do all the fighting for them at our expense; but to this the Colonial Office representatives objected, and Mr Grey, saying that he admitted our view to be reasonable, ~~he~~ asked to have it set forth in the Charter by way of a "licence" to British subjects to do acts of force and in the course of drafting the words about making Ordinances were thrown in without much consideration, being probably intended to be confined to Police Discipline Ordinances; and that

little

Without such a licence from the Crown it is illegal for subjects to use armed force, although they may defend themselves. 0050. E7

little or no importance was attached to them by Lord Knutsford is shewn by the fact that in his letter to Lo Bengula of the 15th of November, already quoted, he asked him as a favour to grant administrative and judicial powers to the Company over white men. Later on in 1891, the Company having failed to obtain any definite grant from Lo Bengula but he having by acts and words acquiesced in the fait accompli, Her Majesty's Government decided to adopt a new line of policy - viz to encourage the Company to use its powers of legislation by Ordinance for domestic matters, but at the same time to issue an Order in Council under the Foreign Jurisdiction Act 1890, declaring the whole country south of the Zambesi (including Matabeleland) under protection and giving the High Commissioner power to legislate for it and do other acts of Government. It is on record that Lord Knutsford would have been willing that the Company should legislate for Mashonaland on all domestic matters, the High Commissioner's legislative power being held in reserve for

Such a policy had been rendered possible by the General Act of the Brussels Conference of 1890 - which treated, as [illegible] the signatory powers that in Africa a European power may establish a Native country & chief without his consent or knowledge. The L.O. & F.O. assumed in an coup d'état

E S

for special occasions and matters. But, through a misunderstanding, Sir Henry Loch acted on the totally opposite principle, issued a comprehensive Legislative Proclamation embodying a system of law for Mashonaland and re-appointed the officers of the Company as Crown Officers. A violent struggle then took place between the High Commissioner and the Secretary of State, which ended in a compromise - the High Commissioner legislating on substantive law, erecting Courts of Justice, and appointing Judicial Officers, whilst the Company was to appoint administrative officers and legislate on minor matters. It has made 16 or 17 Ordinances on such subjects as patents, ~~proceeds~~ pounds, trade, explosives, town management etc, ~~but~~ these are expressly confined to Mashonaland. There would seem no insuperable legal bar to extending the existing arrangement to Matabeleland, if the Company were in occupation there, and if the policy of doing so were approved.

Whatever may be the right

of

of the Company in Matabeleland, there is no doubt of the adequacy and validity of the paramount rights of the Crown and the High Commissioner under the Order in Council, so long as there are any tribes, whether Matabele, MaRalaka, or Makole, in the Matabele country (remaining) to be protected, for so long as that is the case, we can continue to treat it as a Protectorate. If it were denuded of all its native tribes, or if they ceased to have any organization which is improbable, it might be necessary to annex it according to an opinion of the Law Officers given in the case of New Guinea.

JC 10/8/1/6

PROOF.

20712.

No. .

COLONIAL OFFICE to the BRITISH SOUTH AFRICA COMPANY.

SIR, Downing Street, January 19, 1893.

I AM directed by the Marquess of Ripon to request that you will lay before the Directors of the British South Africa Company the accompanying copy of a Proclamation* by Sir Henry Loch, extending and more clearly defining the area of the High Commissioner's administrative jurisdiction in the Bechuanaland Protectorate.

It appears to Lord Ripon to be desirable that the limitations of area, defined by the Ordinances of the Company, should correspond with those defined by the High Commissioner, and his Lordship would therefore suggest that the Company should pass an Ordinance repealing the words in the first section of Ordinance No. 2 after "limits "of this Ordinance shall be," and in the last section of Ordinance No. 3, the words after "limits of this Ordinance, namely," and substituting the following words :—"All the "territories north of the South African Republic, west of the Portuguese possessions, "and south of the Zambesi river, which are not included in the administrative jurisdic- "tion of the High Commissioner for South Africa, as defined in his Proclamation of the "27th of September, 1892, and as may be defined in any subsequent Proclamation to be "issued by him."

The Directors will observe that the proposed definition includes the country between the South African Republic and the 22nd parallel of south latitude, which lies naturally within the Company's sphere of jurisdiction, but has not hitherto been subject to their Ordinances, and possibly some alteration in the terms of the appointment of the Company's judicial or administrative officers in that neighbourhood may be necessary as a result of the measure proposed.

I am, &c.
(Signed) EDWARD FAIRFIELD.

The Secretary, British South Africa Company.

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* Enclosure in No.

I 74001.—47. 12.--1/93.

JC 10/8/1/7

If LoBengula could be regarded as a "Foreign Power" the question of the rights of the B.S.A. Company in Matabeleland could ~~[illegible]~~ be easily answered as follows:

the Company have no rights in (Commercial ones) over British subjects, beyond Matabeleland except those derived from LoBengula under the Rudd Concession and the Lippert Concession. Even if H.M. had not expressly reserved, in secs. 7 & 15 of the Charter, power to deal with native questions, the encroachment no powers granted to a Company by charter could have affected H.M.'s sovereign rights ~~[illegible]~~ in regard to Foreign Powers. No Colony could claim such rights, a fortiori no Company could.

But LoBengula is not a Foreign Power now, whatever he may have

Perhaps ~~[illegible]~~ (may be presumed to be that by the Charter H.M. delegated to the Company certain jurisdiction over British subjects; ~~[illegible]~~ beyond that, the Charter was merely permissive to acquire rights from native chiefs.

But

been at the time of the grant of the Charter. ~~It~~ was precisely on account ~~of the indefinite nature of H.M.'s position in or the territories in question and~~ of the failure of the Company to obtain from Lobengula powers of Administration and of the indefinite nature of H.M.'s position in them that the Order in Council of 9 may 1891 was issued, by which, although ~~indirectly~~ out of regard to Lobengula's feelings no explicit declaration of a Protectorate was made, the it was implied (see preamble) that the territories in question were under H.M.'s protection.

The Charter may have contemplated the acquisition by the Company of very extensive powers from the native chiefs; but it

limitations, and consequently of the doubtful Company's position,

By this Order, H.M. delegated to the High Commissioner for So. Africa power to legislate by Proclamation "for the peace order and good "government of all persons within "the limits of this Order, including "the prohibition and punishment "of acts tending to disturb the

which must be held to govern the Company's political relations with natives and to supersede any inconsistent provisions in the Charter,

"public peace" (sec. IV). Although therefore, although the Company is permitted and even enjoined (by Sec. 10 of the Charter) to "preserve "peace and order in such ways and "manners as it shall consider "necessary" and to make Ordinances with that object, the High Commissioner has a concurrent, and presumably a superseding jurisdiction. ~~It was not~~ Not long ago, it was proposed (in a minor matter) to ~~repeal~~ amend one or more of the Company's Ordinances by a Proclamation of the High Commissioner, but it was considered more expedient (though not necessary) that the ~~amendment~~ amendment should be made by the Company itself.

The Company have, as above

stated, not obtained any powers of administration from Lo Bengula. There is therefore no question of a conflict of jurisdiction. The Charter gives them none, except what may be contained in Sec. 10 above quoted,

As to the Company's [illegible] rights under their Concessions, they are purely commercial, except for the power in the Rudd Concession to exclude all other "persons seeking land, metals, "minerals or mining rights". The Rudd Concession is simply a mineral concession: the Lippert Concession is a land Concession, with regard to which the Company recognise an implied reservation of native rights under sec. 14 of the Charter. Both Concessions extend over the whole of Lo Bengula's countries, except that the Rudd concession excludes the Tati District.

The Company may no doubt contend that the present operations are merely an affair of police, for the preservation of peace and good order; but even so, their authority in this respect is, as above shown, subservient to that of the High Commissioner. Their responsibility in this respect has been [illegible] repeatedly emphasised; but where the occasion which it becomes necessary to take measures the effect of which extends far beyond the boundaries of the territory under the direct administration of the Company and the results of which will involve interests far beyond them of the Company, the ultimate responsibility of the Sovereign power comes into play - as it has done in this case - and the exercise of the authority which the High

Commissioner legally possesses it becomes justifiable.

The ~~unpaid~~ repudiation of responsibility on the part of H.M. Govt. for the preservation of order within the Company's immediate sphere was merely a financial arrangement, and doubtless the present attitude of the Company is due to a fear that the intervention of H.M.G. in Matabele affairs may, while leaving them saddled with certain financial ~~responsibilities~~ obligations as a result of the responsibility which has been laid upon them, deprive them of the means of meeting these obligations. They doubtless consider that for the fulfilment of ~~to fulfil~~ their Obligations, ~~not merely by~~ the peaceable occupation of Mashonaland would not be ~~sufficient~~ sufficient, and ~~to~~ count upon enjoying the full benefit of their

mineral and land concessions from LoBengula in Matabeleland proper which they have not hitherto done. As already stated, their concessions are ~~not limited except~~ (with a trifling exception) are limited only by LoBengula's own claims, and qua LoBengula the Company's right to them is complete. ~~How~~ How far the intervention of the Bechuanaland Border Police and Khama's people ~~constitute a claim~~ in the military operations ~~against~~ constitute a claim against the Company is another question.

~~In connection with the~~

~~at present~~